UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

# FORM 10-K

☑ **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**
**For the transition period from _____ to ____**
**Commission file number 001-34480**

# VERISK ANALYTICS, INC.

*(Exact name of registrant as specified in its charter)*

| | |
|---|---|
| **Delaware**<br>**(State or other jurisdiction of incorporation or organization)** | **26-2994223**<br>**(I.R.S. Employer Identification No.)** |
| **545 Washington Boulevard**<br>**Jersey City**<br>**NJ**<br>**(Address of principal executive offices)** | **07310-1686**<br>**(Zip Code)** |

**(201) 469-3000**
(Registrant's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol | Name of each exchange on which registered |
|---|---|---|
| Common Stock $.001 par value | VRSK | NASDAQ Global Select Market |

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

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☑ Yes ☐ No
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 Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period 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, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☑ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| | | Emerging growth company | ☐ |

If an emerging growth company, 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 on 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 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 whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☑ No

As of June 30, 2024, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was $37,477,230,712 based on the closing price reported on the NASDAQ Global Select Market on such date.

As of February 21, 2025, there were 140,276,165 shares outstanding of the registrant's Common Stock, par value $.001.

**DOCUMENTS INCORPORATED BY REFERENCE**

Certain information required by Part III of this annual report on Form 10-K is incorporated by reference to our definitive Proxy Statement for our 2024 Annual Meeting of Stockholders, which will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2024.

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***Unless the context otherwise indicates or requires, as used in this annual report on Form 10-K, references to "we," "us," "our" or the "Company" refer to Verisk Analytics, Inc. and its subsidiaries.***

***In this annual report on Form 10-K, all dollar amounts are expressed in millions, unless indicated otherwise.***

**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Verisk Analytics, Inc. ("Verisk") has made statements under the captions "Business," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and in other sections of this annual report on Form 10-K that are forward-looking statements. In some cases, you can identify these statements by forward-looking words such as "may," "might," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," or "continue," the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about us, may include projections of our future financial performance, our anticipated growth strategies, and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance, or achievements to differ materially from the results, level of activity, performance, or achievements expressed or implied by the forward-looking statements, including those factors discussed under the caption entitled "Risk Factors." You should specifically consider the numerous risks outlined under "Risk Factors."

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance, or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. We are under no duty to update any of these forward-looking statements after the date of this annual report on Form 10-K to conform our prior statements to actual results or revised expectations.

## PART I

### Item 1. Business

### Our Company

Verisk is a leading data, analytics, and technology provider serving clients in the insurance ecosystem. Using advanced technologies to collect and analyze billions of records, we draw on unique data assets, insurance industry knowledge, and technological expertise to provide valuable solutions that are integrated into client workflows. We offer predictive analytics and decision support solutions to clients in rating, underwriting, claims, catastrophe, weather risk, and many other fields. In the United States ("U.S.") and around the world, we help clients protect individuals, communities, and businesses. We completed the sale of our Energy business on February 1, 2023. We also divested our specialized markets and financial services businesses in March 2022 and April 2022, respectively.

Our clients use our solutions to make better decisions about risk and improve operating efficiency. We refer to these products and services as solutions due to the integration among our services and the flexibility that enables our clients to purchase components or a comprehensive package. These solutions take various forms, including proprietary data assets, expert industry insight, statistical models, tailored analytic objects, and robust software platforms all designed to allow our clients to make more informed risk decisions. We believe our solutions for analyzing risk have a positive impact on our clients' revenues and help them better manage their costs. In 2024, our clients included all of the top 100 property and casualty ("P&C") insurance providers in the U.S. for the lines of P&C services we offer. We believe that our commitment to our clients and the embedded nature of our solutions serve to strengthen and extend our relationships.

We believe that Verisk is uniquely positioned with a series of competitive advantages including:

• *Proprietary Data Assets* – Data is at the core of what we do. We use our proprietary and contributory data assets to develop predictive analytics and transformative models for our clients;

• *Deep Insurance Industry Expertise and Focus* – We have specialized and in-depth knowledge in insurance and risk management that drives our engagement with our clients;

• *Long-standing Industry Relationships* – Our early beginnings as an insurance rating bureau have established us as a trusted partner for the industry as well as a source of insights for our clients; and

• *Scale to Drive Broad Distribution of Innovation* – Our scale advantage enables us to innovate on behalf of the insurance industry and deliver solutions that strive to solve our clients' biggest challenges.

### Our Business Strategy

Our vision is to be the leading strategic data, analytics, and technology partner to the global insurance industry by delivering value to our clients through knowledge, expertise, and scale. Our business aims to build upon our competitive advantages and capitalizing on our scale and position within the industry. Our business strategy is driven by the following priorities:

• **Drive Consistent & Predictable Growth.** With our clear focus on insurance, integrated organization and our client-centric and results-oriented culture, we strive to deliver consistent and predictable growth. We are leveraging our strong client relationships to extend our reach within insurance and elevate the strategic dialogue with our clients. We are modernizing and advancing the capabilities of our core solutions using cloud technology and advanced analytical methods including machine learning and artificial intelligence ("AI") while also augmenting our solutions through the addition of new data assets and sources. In addition, we are working on building leadership positions in adjacent markets including life insurance, marketing, specialty business solutions, and resilience and sustainability. With the client at the center of all we do, we are driving innovation across our portfolio and partnering with our clients to help solve the insurance industry's greatest challenges with a focus on rapidly changing technology, growing regulatory focus, and value creation;

• **Drive Operating Efficiency and Profitability.** Our subscription business model as well as our ability to build solutions that serve the insurance industry at large helps drive core operating leverage. In addition, we strive to deliver productivity enhancements and operating efficiency through the use of advanced technology and a global talent workforce. We seek to balance this with high return on capital investment into the business to continue to drive growth and profitability; and

• **Ensure Disciplined Capital Allocation.** We are focused on generating strong cash flow and ensuring that we are disciplined in how we allocate that capital with a focus on directing capital to the highest return investments. First, we prioritize organic reinvestment in the business, which can produce high internal returns. Second, we look for selective, strategic acquisitions that can expand our data assets, augment our capabilities, and expand our reach within the insurance industry while also creating value by leveraging our capabilities and resources. Finally, we expect to return excess capital to shareholders while also maintaining a strong balance sheet.

**Our History**

We trace our history to 1971, when Insurance Services Office, Inc. ("ISO") started operations as a not-for-profit advisory and rating organization providing services to the U.S. P&C insurance industry. ISO was formed as an association of insurance companies to gather statistical data and other information from insurers and report to regulators, as required by law. ISO's original functions also included developing programs to help insurers define and manage insurance solutions and providing information to help insurers determine their own independent premium rates. Insurers used and continue to use our offerings primarily in their product development, underwriting, and rating functions.

On May 23, 2008, in contemplation of our initial public offering ("IPO"), ISO formed Verisk Analytics, Inc. ("Verisk"), a Delaware corporation, to be the holding company for our business. Verisk was initially formed as a wholly owned subsidiary of ISO. On October 6, 2009, in connection with our IPO, we effected a reorganization whereby ISO became a wholly owned subsidiary of Verisk. Verisk common stock began trading on the NASDAQ Global Select Market on October 7, 2009, under the ticker symbol "VRSK."

**Segments**

Our operating segments have historically been Insurance, Energy and Specialized Markets, and Financial Services. On March 11, 2022 and April 8, 2022, we sold 3E Company Environmental, Ecological and Engineering ("3E"), our environmental health and safety business, which represented the "specialized markets" in our Energy and Specialized Markets segment, and our Financial Services segment, respectively. We assessed the sale of 3E and Financial Services segment per the guidance in ASC 205-20, *Discontinued Operations* ("ASC 205-20"), and determined that the transactions did not qualify as a discontinued operation because they did not, quantitatively or qualitatively, represent a strategic shift that has or will have a major effect on our operations and financial results. On October 28, 2022, we also entered into an equity purchase agreement to sell Wood Mackenzie, Inc. and Verisk New UK Holdco LP (together with their respective subsidiaries, our "Energy business"). The transaction closed on February 1, 2023. The Energy business qualified as held for sale in the fourth quarter of 2022 and was classified as a discontinued operation per the guidance in ASC 205-20, as we determined that this transaction represents a strategic shift that has or will have a major effect on our operations and financial results. Accordingly, all results of the Energy business have been removed from continuing operations and presented as discontinued operations in our consolidated statements of operations and assets and liabilities held for sale for all periods presented. Results of our Energy business are reported as a discontinued operation for the year ended December 31, 2022 and for all prior periods presented. See Note 11. Dispositions and Discontinued Operation for further discussion.

**Insurance Segment**

We now operate in one segment, Insurance, which primarily serves our P&C insurance customers across most personal and commercial lines of business, focusing on the fundamental building blocks of insurance programs, the prediction of loss, the selection and pricing of risk, and compliance with their reporting requirements in each U.S. state in which they operate. We also develop and utilize machine-learned and artificially intelligent models to forecast scenarios and produce both standard and customized analytics that help our customers better manage their businesses, including detecting fraud before and after a loss event and quantifying losses. Our customers, acquired over more than 50 years, include most of the P&C insurance providers in the U.S. In recent years, we have expanded our offerings to serve certain non-U.S. markets and into the fields of life insurance and annuities, as well as insurance marketing. We offer our solutions and services primarily through annual subscriptions or long-term agreements, which are typically prepaid (annually and quarterly) and represented approximately 81% of our revenues in 2024. We believe we are well positioned to increase our penetration of the global insurance industry because of our proprietary data assets, long-standing industry relationships, deep insurance industry expertise, and our scale to drive broad distribution of our new innovations.

***Underwriting***

Powered by proprietary and contributory data and advanced analytics and technologies, we offer a full suite of solutions to support our P&C clients across the insurance policy lifecycle. This support spans their product development, marketing, new and renewal underwriting, risk selection and segmentation, pricing, and straight through to policy binding and issuance. We continued to grow our presence internationally and expand our capabilities into new markets, such as life insurance and annuities, and into new workflows, such as marketing and customer acquisition.

*Forms, Rules, and Loss Costs*

We are the recognized leader in the U.S. for industry-standard insurance programs that help P&C insurers define coverages and issue policies. We provide policy language, prospective loss costs, policy writing and rating rules, and a variety of underwriting solutions for risk selection and segmentation, pricing, and workflow optimization across 31 lines of insurance. Our policy language, prospective loss cost information, and policy writing rules can serve as integrated, turnkey insurance programs for our clients.

Insurance companies need to ensure that their policy language, rules, and rates comply with all applicable legal and regulatory requirements. They must also make sure their policies remain competitive by promptly changing coverages in response to changes in statutes, case law, or regulatory requirements. To meet our clients' needs, we process approximately 2,000 regulatory filings and interface with state regulators in all 50 states plus the District of Columbia, Guam, Puerto Rico, and the Virgin Islands each year to ensure smooth implementation of our rules and forms. When insurers choose to develop their own alternative programs, our industry-standard insurance programs also help regulators ensure that such insurers' policies meet basic coverage requirements.

Standardized coverage language, which has been tested in litigation and tailored to reflect judicial interpretation, helps ensure consistent treatment of claimants. As a result, our industry-standard language also simplifies claim settlements and can reduce the occurrence of costly litigation because our language causes the meaning of coverage terminology to become established and known. Our policy language includes standard coverage language, endorsements, and policy writing support language that assist our clients in understanding the risks they assume and the coverages they offer. With these policy programs, insurers also benefit from economies of scale. We have more than 240 insurance experts and specialized lawyers reviewing changes in each state's insurance rules and regulations, including an average of approximately 12,300 legislative actions, 16,000 regulatory actions, and 2,000 court decisions per year, to make any required changes to our policy language and rating information.

To cover the wide variety of risks in the marketplace, we offer a broad range of policy programs. For example, in the homeowners line of insurance, we maintain policy language and rules for approximately 6 basic coverages, 385 national endorsements, and 701 state-specific endorsements.

The P&C insurance industry is heavily regulated in the U.S.; P&C insurers are required to collect statistical data about their premiums and losses and to report that data to regulators in every state in which they operate. Our statistical agent services have enabled P&C insurers to meet those regulatory requirements for more than 50 years.

We aggregate the data, and as a licensed or appointed “statistical agent” in all 50 states, Puerto Rico, and the District of Columbia, we report those statistics to insurance regulators. We are able to capture significant economies of scale given the level of penetration of this service within the U.S. P&C insurance industry.

To provide our clients and the regulators with the information they require, we maintain one of the largest private databases in the world. Over the past five decades, we have developed core expertise in acquiring, processing, managing, protecting, and operating large and comprehensive databases that are the foundation of our insurance offerings. We use our proprietary technology to assemble, organize, and update vast amounts of detailed information submitted by our clients. We supplement this data with publicly available information.

In 2024, P&C insurers sent us approximately 2.7 billion detailed individual records of insurance transactions, such as insurance premiums collected or losses incurred. We maintain an underwriting database of more than 36.3 billion statistical records, including approximately 9.7 billion commercial lines records and approximately 26 billion personal lines records. We collect unit transaction detail of each premium and loss record, which enhances the validity, reliability, and accuracy of our data sets and our actuarial analyses. Across all of our insurance lines, our proprietary quality process includes approximately 3,000 separate checks to ensure that the data meets our high standards.

Using our large database of premium and loss data, we provide actuarial services to help our clients analyze and price their risks. Our actuaries are able to perform sophisticated analyses using our predictive models and analytic methods to help our P&C insurance clients with pricing, loss reserving, and market analysis. We distribute a number of actuarial solutions and offer flexible services to meet our clients’ needs. In addition, our actuarial consultants provide customized services for our clients that include assisting them with the development of independent insurance programs, analysis of their own underwriting experience, development of classification systems and rating plans, and a wide variety of other business decisions. We also supply information to various clients in other markets, including reinsurance and government agencies.

We project clients' future losses and loss expenses using a broad set of data. Those projections tend to be more reliable than if our clients used their own data exclusively. We make a number of actuarial adjustments before the data is used to estimate future costs. Our clients can use our estimates of future costs in making independent decisions about the prices charged for their policies. For most P&C insurers in most lines of business, we believe that our estimates of future costs are an essential input to rating decisions. Our actuarial solutions and services are also used to create the analytics underlying our industry-standard insurance programs described above.

In response to the challenges faced by our clients to reduce operating complexity and improve their speed to market, we are undertaking an extensive modernization of our core lines product. This “reimagine” of our forms, rules, loss costs and related solutions is designed to deliver increased value to our customers. The Reimagine program includes significant enhancements to our existing solutions; new digital workflow tools, insights, and analytics; and an enhanced content delivery platform.

*Underwriting Data and Analytics Solutions*

We gather information on individual properties, vehicles and communities providing the breadth and depth of data and analytics needed to support our clients as they evaluate, segment, and price personal and commercial insurance, as well as commercial liability insurance, throughout the policy lifecycle. Our property- and auto- specific rating and underwriting information allows our clients to understand, quantify, underwrite, mitigate, and avoid potential loss for these risks.

Our database contains data and analytics on approximately 143 million residential properties and 16 million commercial properties in the U.S. We have a staff of approximately 500 field representatives strategically located around the U.S. who observe and report on conditions at commercial and residential properties, evaluate community fire-protection capabilities, and assess the effectiveness of municipal building-code enforcement. Each year, our field staff visits approximately 300,000 commercial properties to collect information on new buildings, verify building attributes, and provide specific loss costs. Our auto solutions are powered by a mix of third-party and proprietary data ranging from 2 billion traffic court records to characteristics on more than 275 million insured drivers and 280 million registered vehicles with access to expansive industry databases on loss costs and claims.

We are a leading provider of innovative solutions for the personal underwriting markets, including homeowners and auto lines. Drawing on an array of resources from proprietary and third-party data to geospatial imagery, we build and maintain widely used industry-standard tools that assist insurers in underwriting and rating—that is, measuring and selecting risks and pricing coverage appropriately to help ensure fairness to the consumer and a reasonable return for the insurer. Our solutions apply advanced predictive analytics to our deep reservoir of data and information to gauge the degree and cost of risk quickly and precisely, and our workflow tools help insurers increase speed and cost-efficiency while enhancing customer experiences. These solutions span a range of applications—from using precise home reconstruction costs to help policyholders have the right amount of coverage, to providing auto insurers with the data that supports offering consumers a bindable quote in minutes through modern API’s.

We also provide proprietary analytic measures of the ability of individual communities to mitigate losses from important perils. Nearly every property insurer in the U.S. uses our evaluations of community firefighting capabilities to help determine premiums for fire insurance throughout the country. We provide field-verified and validated data on fire protection services for approximately 36,000 fire response jurisdictions. We also offer services to evaluate the effectiveness of community enforcement of building codes and the efforts of communities to mitigate damage from flooding.

Further, we provide information on the insurance rating territories, premium taxes, crime risk, and hazards of windstorm, earthquake, wildfire, and other perils. To supplement our data on specific commercial properties and individual communities, we have assembled, from a variety of internal and third-party sources, information on hazards related to geographic locations representing every postal address in the U.S. Insurers use this information not only for policy quoting but also for analyzing risk concentration in geographical areas. We also make our data and analytics available to commercial real estate lenders to allow them to better understand risks associated with people to whom they lend.

*Extreme Event Solutions*

We are a leader in and pioneered the field of probabilistic catastrophe modeling used by insurers, reinsurers, intermediaries, financial institutions, and governments to manage their risk from extreme events. Our models, which form the basis of our solutions, enable companies to identify, quantify, and plan for the financial consequences of catastrophes. We have developed models for hurricanes, earthquakes, winter storms, tornadoes, hailstorms, wildfires, and floods in more than 120 countries and territories. We have developed a probabilistic terrorism model capable of quantifying the risk in the U.S. from this evolving threat, which supports pricing and underwriting decisions down to the level of an individual policy, as well as models for estimating losses to crop insurance programs in the U.S., Canada, India, and China. Our newest models offer risk quantification solutions for the casualty line of business.

We offer global risk intelligence providing insight into sustainability and resilience issues, underpinned by geospatial data and analytics. We provide intelligence on sustainability, resilience, human rights, environmental, sovereign and political risk, stitching together these disparate issues into an interconnected global view built upon objective insight and data.

Up until the sale of Atmospheric and Environmental Research ("AER") on December 2, 2024, we helped businesses and governments better anticipate and monitor risks in Earth's natural environment. We prepared certain agencies and companies to anticipate, manage, react to, and profit from climate- and weather-related risk. We served our customers by providing advanced research, development, and analysis delivered in reports, data streams, and software solutions.

*Life Insurance Solutions*

In recent years we have expanded our offerings to also serve the life insurance and annuities markets through our 2019 acquisition of FAST. Life Insurance Solutions enable new approaches across the policy life cycle through no-code technology, data analytics, and modeling. We have developed a suite of solutions that apply advanced analytics, automation, and machine learning to existing and emerging data sources. Our solutions are designed to help transform current workflows in life insurance underwriting, claim insights, policy administration, unclaimed property/equity, compliance and fraud detection, and actuarial and portfolio modeling. Our industry-leading FAST platform can reduce time to market, enables faster policy conversion, and can reduce information technology costs for our customers, uniquely positioning us to help support the modernization of the life insurance industry.

*Specialty Business Solutions*

We are a leading software supplier to the global specialty insurance market with particular focus on the London specialty market where we have a long-standing client base. Our powerful software suite, coupled with our vast datasets, experience, and technology allows our clients to grow and better manage their business with greater efficiency, flexibility, and data governance. Our solutions serve insurers, (re)insurers, brokers, cover holders, and managing general agents (MGAs) in London and across the globe.

We help drive the success of many of the fastest growing insurance and reinsurance specialists by providing full end-to-end management of insurance and reinsurance business. Our suite of software solutions covers a broad range of insurance processes from policy negotiation and placement, pricing and policy administration through to claims and outwards reinsurance.

Many of our solutions can be integrated with one another and with capabilities across the organization to meet evolving client needs and offer a compelling digital ecosystem for the London and global insurance market. To that end, our global marketplace solution offers seamless real-time quote-to-bind electronic placing and distribution for the specialty insurance market.

*Marketing Solutions*

Through recent acquisitions, we extended our data and workflow capabilities to help the global insurance industry drive improvement in customer acquisition, growth, and retention. Marketing and advertising spend for insurers goes well beyond $10 billion and has continued to increase year over year. We possess unique and proven data sets that help the insurance industry more precisely segment, target, and optimize advertising and marketing spend. Solutions include compliant, real-time decisioning, profitability, and risk assessment (pre-quote and pre-underwriting) for inbound consumer interactions. We also power ongoing enrichment of prospective and current customer insights for the highest probability of retention and increased share of wallet (policy bundling) as well as full coverage of U.S. households and consumers to drive prospect marketing and advertising strategies. Verisk Marketing Solutions brings a unique insurance-focused, specialized offering that covers insurance carriers' holistic marketing data needs.

*International Underwriting Solutions*

We continue to expand our footprint of data and solutions to include international markets. Our international insurance markets grew through acquisitions and today serve a large number of insurers operating in the Canadian, United Kingdom (U.K.) and Irish property and casualty markets, and travel market. Additionally, our international market provides services to much of the Lloyd's of London market, while also serving clients in Continental Europe, Singapore, China, Australia, and New Zealand. The international enhanced commercial and residential property models and enriched data sets help insurers with triage, reconstruction value, risk selection, pricing, benchmarking, and portfolio management across multiple insured segments. Insurers also use our solutions to help fine-tune the accuracy of their rating models and to enhance underwriting results through a set of analytical solutions that predict the relative risk and variation of major insurance perils, including theft, flood, storm, fire, freeze, etc. In addition to property data and solutions, clients can benefit from decision and benchmarking analytics using firmographic, technographic, and business intelligence and proprietary management competency scores, delivered digitally to enable straight through processing. Our suite of international solutions also includes rating tools that automate the assessment of pre-existing conditions, helping travel and health insurers to get a broad view of a customer's medical risk and make underwriting decisions with speed and precision.

***Claims***

Our claims insurance solutions provide our customers analytics in fraud detection, compliance reporting, subrogation liability assessment, litigation, and repair cost estimation and valuation, including emerging areas of interest within these categories.

*Property Estimating Solutions*

We also provide data, analytics, and networking solutions for professionals involved in estimating all phases of building repair and reconstruction. We provide solutions for every phase of a building's life, including:

• quantifying the ultimate cost of repair or reconstruction of damaged or destroyed buildings for personal and commercial properties;

• aiding in the settlement of insurance claims; and

• tracking the process of repair or reconstruction and facilitating communication among insurers, adjusters, contractors, and policyholders.

To help our customers estimate repair costs, we provide a solution that assists contractors and insurance adjusters in estimating repairs using a patented plan-sketching program that automatically calculates material and labor quantities for all desired construction or repairs to a structure based on user inputs.

We also provide our customers access to price lists, which include structural repair and restoration pricing for 468 separate economic areas in North America based on direct market surveys and analysis of actual customer claim experience. We revise this information monthly, and as often as weekly in the aftermath of major disasters, to reflect rapid price changes. Our structural repair and cleaning database contains approximately 21,000 unit-cost line items. We estimate that more than 80% of insurance repair contractors and service providers in the U.S. and Canada with computerized estimating systems use our building and repair pricing data. This large percentage leads to accurate reporting of pricing information, which we believe is unmatched in the industry.

Our virtual claims-adjusting tools help improve policyholder satisfaction, reduce human error, and save on loss adjustment expense. These tools simplify collaboration among claims professionals, contractors, and policyholders as they work together remotely and efficiently. These cloud-based and on-premise solutions include real-time video collaboration, remote measuring tools, generative AI-powered damage assessment, and image analytics fraud warnings, among other features.

Customers access our ecosystem for enhanced claims handling and analysis. For example, they can use our weather API for near-real-time updates and valuable insights for responding to weather perils that can impact their policyholders and their business. They can also use our data insights to analyze and benchmark their performance against peers in the industry and to manage claims assignments.

*Anti-Fraud Solutions*

We are a leading provider of fraud-detection tools for the P&C insurance industry. Our anti-fraud solutions can improve our customers' profitability by predicting the likelihood that fraud may be occurring and by detecting suspicious activity after it has occurred.

Our claims database lends significant support to the fight against insurance fraud. The database contains information from more than 1.8 billion claim records and is the world's largest database of P&C claims information used for claims processing and fraud investigations. Insurers and other participants submit more than 187,917 new claims a day on average across all U.S. P&C insurance industry categories. The benefits of an industrywide claims database include improved efficiency in reporting data and searching for information, enhanced capabilities for detecting suspicious claims, and superior information for investigating fraudulent claims, suspicious individuals, and possible fraud rings. Our database also helps insurers fulfill their regulatory compliance reporting requirements at both the state and federal levels for delinquent child-support liens and other required checks.

When a claim is submitted, our system searches our claims database and returns information about other claims filed by the same individuals or businesses (either as claimants or insureds) that helps our customers determine if fraud may be occurring. The system searches for matches in identifying information fields, such as name, address, Social Security number, vehicle identification number, driver's license number, tax identification number, or other parties to the loss. Our system also includes advanced name and address searching to perform intelligent searches and improve the overall quality of the matches.

Information from match reports speeds payment of meritorious claims while providing a defense against fraud and can lead to denial of a claim, negotiation of a reduced award, or further investigation by the insurer or law enforcement. We also have a suite of advanced fraud analytics solutions: a solution that uses predictive models to accurately score claims based on fraud indicators; an injury claims solution that uses predictive analytics to detect medical provider fraud, waste, and abuse; and a network analytics solution that helps detect patterns indicative of organized fraud. A claims adjuster or investigation professional can use our comprehensive case management system to manage claim investigations.

We continually pursue new solutions that help our customers keep abreast of changing markets and technology. For example, we developed a digital media database that allows customers to view prior-loss images on claim matches so they can detect pre-existing damage on new claims. Our advanced digital media forensics can detect suspicious claim-related photos, and our customers can flag stolen and synthetic identities in the database to help subscribers deter that type of fraud. We also provide accurate person and vehicle coverage details at first notice of loss (FNOL), including verified registered owner information through DMV data, contact information for the individual, and brief claims history.

*Casualty Solutions*

We offer a full suite of casualty/bodily injury solutions to serve the P&C industry, third-party administrators, and self-insured employers. Verisk casualty solutions focus on compliance (Medicare Secondary Payer and workers' compensation state reporting); casualty claims decision support (severity detection and damage assessment); and workflow automation (automated medical record review and claims processing). Our compliance division offers Medicare Secondary Payer solutions and services to comply with the federal statute, including Section 111 Centers for Medicare & Medicaid Services (CMS) reporting, lien resolution/conditional payments, liabilities repayment, and ongoing protection of the Medicare Trust Fund via Medicare Set Aside (MSA) services. As the largest provider of Medicare compliance services in the industry, we play a critical role in assisting and protecting all stakeholders, including Medicare and its beneficiaries.

Our comprehensive workers' compensation state reporting helps customers meet the very complex compliance requirements for reporting to states and other government related agencies and entities through an automated process driving efficiency and productivity for the U.S. P&C insurance industry.

Our casualty claims decision support and workflow automation offerings augment human capital in a claims organization to make accurate decisions while eliminating manual steps in the process. We have solutions that leverage AI and generative AI to automatically extract unstructured data from and summarize medical records for efficient review and analysis during claim processing and demand packages review to improve injury evaluations and settlement negotiations. We also offer tools that use predictive analytics to provide workers' compensation severity scoring from first notice of loss through claim closure to help our customers accurately settle claims. For liability, our customers can use our solution to find comparative liability in personal auto, commercial auto, and general liability claims for injury evaluation, determining accident liability and identifying subrogation opportunities.

*International Claims Solutions*

We continue to expand our claim product offerings to international markets through internal innovations and acquisitions in both the United Kingdom and Continental Europe. Our solutions are centered around personal injury and motor franchises covering Germany, the Nordics, and the United Kingdom with complementary offerings to the property claims sector in the United Kingdom. Our solutions aim to enable greater certainty, lower indemnity, more automation, and quicker speed to settlement for our personal lines insurance customers. Where appropriate, we look to leverage our growing data assets to introduce claim analytics and anti-fraud solutions in these markets.

**Energy and Specialized Markets Segment**

Up until the sale of our Energy business on February 1, 2023, we were a leading provider of data analytics across the natural resources value chain including the global energy, chemicals, metals and mining, and power and renewables sectors. We delivered analysis and advice on assets, companies, governments, and markets based on proprietary near real time data as well as historic information. This enabled us to offer a comprehensive and integrated analysis of relevant commodities to our customers. We provided research and consulting services focusing on supporting customer capital allocation decisions, asset valuation and benchmarking, commodity markets, and corporate analysis. We offered consultancy in the areas of business environment, business improvement, business strategies, commercial advisory, and transaction support.

Before the sale of our specialized markets on March 11, 2022, we offered a comprehensive suite of data and information services that enable improved compliance with global environmental health and safety ("EH&S") requirements related to the safe manufacturing, distribution, transportation, usage, and disposal of chemicals and products. From the supply chain or solutions life cycle, we delivered a program specific to the EH&S compliance information and management needs of our customers. Our full-solutions life cycle and cross-supply chain approach provided a single, integrated solution for managing customers' EH&S capabilities, which resulted in improved processes and reduced cost, risk, and liability.

**Financial Services**

Before the sale of Financials Services Segment on April 8, 2022, we maintained the largest bank account consortia to provide competitive benchmarking, decisioning algorithms, business intelligence, and customized analytic services to financial institutions, payment networks and processors, alternative lenders, regulators, and merchants enabling better strategy, marketing, and risk decisions. We delivered unique solutions and services to an expanding customer base that valued the comprehensiveness of our data and solutions as well as our full wallet-spend view of a consumer. Complementing this, we leveraged our partnerships with processors and credit bureaus not only to augment the richness of our data but also to provide expanded solutions across the broad span of consumer banking and retail solutions.

**Our Customers**

The customers for the lines of P&C services we offer include the top 100 P&C insurance providers in the U.S., 18 of the top 25 global reinsurance companies, as well as domestic InsurTech companies and insurers in international markets. A substantial majority of P&C insurance providers in the U.S. use our statistical agent services to report to regulators, and the majority of insurers and reinsurers in the U.S. use our actuarial services and industry-standard insurance programs. In addition, certain agencies of the federal government as well as county and state governmental agencies and organizations use our solutions to help satisfy government needs for risk assessment and emergency response information. Within Extreme Events, we serve reinsurers, insurers, brokers, governments, and corporates helping them identify, quantify and plan for the financial consequences of catastrophes. For life and annuity insurers, we offer digital solutions including electronic applications and policy administration systems to enable automated/accelerated triage, underwriting, fraud detection, and modeling. Our claims database serves thousands of customers, representing approximately 90% of the P&C insurance industry by premium volume, approximately 500 self-insurers, approximately 450 third party administrators, several state fraud bureaus, and many law enforcement agencies involved in the investigation and prosecution of insurance fraud. We estimate that more than 80% of insurance repair contractors and service providers in the U.S. and Canada with computerized estimating systems use our building and repair cost estimation pricing data.

**Our Competitors**

The breadth of markets we serve exposes us to a broad range of competitors as described below. Businesses that we acquire may introduce us to additional competitors.

We operate primarily in the U.S. P&C insurance industry. We have a number of competitors in specific lines or services. We encounter competition from a number of sources, including insurers that develop internal technology and actuarial methods for proprietary insurance programs. Competitors also include other statistical agents and other advisory organizations, that provide underwriting rules, prospective loss costs, and coverage language. Competitors for our property-specific rating and underwriting information are primarily regional providers of commercial property inspections and surveys as well as emerging providers in the InsurTech space. We also compete with a variety of organizations that offer consulting services, primarily specialty technology and consulting firms. In addition, a customer may use its own internal resources rather than engage an outside firm for these services. Our underwriting solutions compete with a variety of companies in the marketplace. Our competitors include information technology product and services vendors; management and strategy consulting firms; and smaller specialized information technology and analytical services firms. Finally, in the life insurance sector, our solutions compete against numerous independent vendors, as well as the in-house technology departments of Life Insurers. In the P&C insurance claims and catastrophe modeling markets, certain products are offered by a number of companies in the areas of catastrophe modeling, repair cost estimating, claims investigative reports, claims fraud analytics, and injury claims analytics. We believe that our P&C insurance industry expertise, and our ability to offer multiple applications, services, and integrated solutions to individual customers are competitive strengths.

**Development of New Solutions**

We take a market-focused team approach to developing our solutions. Our operating units are responsible for developing, reviewing, and enhancing our various solutions and services. Our data management and production team designs and manages our processes and systems for market data procurement, proprietary data production, and quality control. Our teams support our efforts to create new information and solutions from available data and explore new methods of collecting data. We are focused on understanding and documenting business unit and corporate data assets and data issues, sharing and combining data assets across the enterprise, creating an enterprise data strategy, facilitating research and product development, and promoting cross-enterprise communication.

Our software development teams build the technology used in many of our solutions. As part of our product development process, we continually solicit feedback from our customers on the value of our solutions and services and the market's needs. We have established an extensive system of customer advisory panels that meet regularly throughout the year to help us respond effectively to the needs of our markets. In addition, we use frequent sales calls, executive visits, user group meetings, and other industry forums to gather information to align our product development efforts with the needs of the market. We also use a variety of market research techniques to enhance our understanding of our customers and the markets in which they operate.

We add to our offerings through an active acquisition program. Since 2022, we have acquired 8 businesses, which have allowed us to enter new markets, offer new solutions, and enhance the value of existing services with additional proprietary sources of data.

When we find it advantageous, we augment our proprietary data sources and systems by forming alliances with other leading information providers and technology companies and integrating their product offerings into our offerings. This approach gives our customers the opportunity to obtain the information they need from a single source and more easily integrate the information into their workflows.

**Client Strategy, Sales, and Support**

Our overall client strategy is driven by our extensive industry expertise and our unique position within the insurance ecosystem. We endeavor to be the leading strategic data, analytics, and technology partner to the global insurance industry by delivering value to our clients through knowledge, expertise, and scale, and we focus on elevating the strategic dialogue with our clients. Our company primarily engages with clients through direct interaction, leveraging a structured, multi-tiered sales approach. This approach includes Managing Directors, Account Executives, Account Managers, Subject Matter Experts, Technical Consultants, and Sales Client Support specialists. Within our organization, we have dedicated sales teams that focus on specific solutions and services. These specialized Account Executives are responsible for selling highly technical solution sets to targeted markets, working in close coordination with broader account management teams to ensure a holistic approach to customer engagement.

Account Executives play a key role in both sales and customer service activities. They provide direct support to assigned customers, engaging frequently to ensure a positive experience with our services. While Account Executives primarily focus on identifying new sales opportunities, they collaborate closely with various teams to align our solutions with customer needs. We believe our deep solutions knowledge, ability to build trusted relationships, and local presence set us apart from the competition. Subject Matter Experts partner with Account Executives on specific opportunities related to their assigned solutions and market segments. Account Executives manage the overall sales process, while Subject Matter Experts manage the detailed integration and functional discussions to ensure successful outcomes and customer satisfaction. Both Account Executives and Subject Matter Experts are responsible for identifying new sales opportunities as well as managing renewals of existing business. A team-based approach, supported by a unified customer relationship management system, ensures effective coordination across all groups.

To optimize account management for our largest customers, we segment our client base into three distinct tiers. Tier One consists of our most significant customers. To ensure strategic and executive-level engagement with these Tier One clients, a Managing Director within the Client Strategy organization is responsible for the overall and executive-level relationship between the client and all of Verisk, fostering alignment across our solutions and services. Tier Two clients encompass both large and middle-market customer groups. Tier Three consists of smaller, specialized companies that may focus on a single line of business, serve specific regions, or be recent entrants to the market. Within the Tier One and Tier Two segments, our US and global sales teams are organized by the following disciplines: personal lines underwriting and pricing, commercial lines underwriting and pricing, claims, catastrophe modeling and exposure management, and specialty. For Tier Three clients, a generalist Account Executive is assigned within each business unit, taking on overall account management responsibilities. Our tiered approach has proven to be an effective sales model for building strong customer relationships. Additionally, our senior leadership team, including the Senior Operating Committee, regularly engages with senior management at our client organizations to ensure strategic alignment, and to foster opportunities for mutual partnership and innovation.

**Sources of Our Data**

The data we use to perform our analytics and power our solutions is sourced through seven different kinds of data arrangements. First, we gather data from our customers within agreements that also permit our customers to use the solutions created from their data. Those agreements remain in effect unless the data contributor chooses to opt out. It is very rare that contributors elect not to continue providing us data. Second, we have agreements with data contributors in which we specify the particular uses of their data and provide their required levels of privacy, protection of data, and where necessary, de-identification of data. The agreements represent no cost to us, generally feature a specified period of time for the data contributions, and require renewal. Third, we "mine" data found inside the transactions supported by our solutions; as an example, we use the claims settlement data generated inside our repair cost estimating solution to improve the cost factors used in our models. Again, those arrangements represent no cost to us, and we obtain the consent of our customers to make use of their data in this way. Fourth, we source data generally at no cost from public sources, including federal, state, and local governments. Fifth, we gather data about the physical characteristics of commercial properties through the direct observation of our field staff members, who also perform property surveys at the request of, and facilitated by, property insurers. Sixth, we collect data, or license or purchase from third parties, on geographic and spatially referenced information relating to residential and commercial structures by using the latest remote sensing and machine learning technologies. Lastly, we purchase data from data aggregators under contracts that reflect prevailing market pricing for the data elements purchased, including county tax assessor records, descriptions of hazards such as flood plains, and professional licenses. We are the owners of the derivative solutions we create using the data we collect.

## Information Technology

### *Technology*

Our information technology systems and the more recent adoption of cloud computing are fundamental to our success. They are used for the storage, processing, access, and delivery of the data that forms the foundation of our business and the development and delivery of the solutions we provide to our customers. We generally own, or have secured ongoing rights to use for the purposes of our business, all the customer-facing applications that are material to our operations. We support and implement a mix of technologies and focus on implementing the most efficient technology for any given business requirement or task.

### *Data Centers*

In 2023, with our migration to cloud computing, we closed our Lehi, Utah Data Center, and in 2024, we closed our Somerset, New Jersey facility. We will continue to maintain other datacenters dedicated to other businesses we acquired recently.

### *Disaster Recovery*

We are committed to a framework for business continuity management and carry out annual reviews of the state of preparedness of each business unit. As we migrate our applications to the public cloud, we also evaluate the level of redundancy required for each application. We leverage native cloud capabilities with regards to availability and use both zones and regions in public cloud based on availability requirements. Business continuity planning is in place for all of our critical business processes to provide for the prompt and effective continuation of critical services in the event of a business disruption. Our business continuity program adheres to ISO 22301:2019, which is an international standard for business continuity. All business impact analysis and business continuity plans are reviewed and updated, at a minimum, annually or when significant business changes occur.

### *Security*

We have adopted a wide range of measures to secure our IT infrastructure and data. Security measures generally cover the following key areas: security policies and governance committees, physical security, logical security of the perimeter, network security such as firewalls, logical access to applications and operating systems, deployment of endpoint anti-malware software, email security, and appropriate procedures relating to removable media such as laptops. Laptops are encrypted, and media leaving our premises and sent to third-party storage facilities are also encrypted. Our commitment to security has earned ISO 27001:2013 Certification for our core data centers, which is an international standard for best practices associated with our Information Security Management System. See also "Item 1C. Cybersecurity."

## Intellectual Property

We own a significant number of intellectual property rights, including copyrights, trademarks, trade secrets, and patents. Specifically, our policy language, insurance manuals, software, and databases are protected by both registered and common law copyrights. and the licensing of those materials to our customers for their use represents a large portion of our revenue. We also own in excess of 600 trademarks in the U.S. and foreign countries, including the names of our solutions and services and our logos and tag lines, many of which are registered. We believe many of our trademarks, trade names, service marks, and logos to be of material importance to our business, as they assist our customers in identifying our solutions and services and the quality that stands behind them. We consider our intellectual property to be proprietary, and we rely on a combination of statutory (for example, copyright, trademark, trade secret, and patent) and contractual safeguards in a comprehensive intellectual property enforcement program to protect it wherever it is used.

We also own several patents and have several pending patent applications in the U.S. that complement our solutions. We believe the protection of our proprietary technology is important to our success, and we will continue to seek to protect those intellectual property assets for which we have expended substantial research and development capital and that are material to our business.

To maintain control of our intellectual property, we enter into contractual agreements with our customers, granting each customer permission to use our solutions and services, including our software and databases. This helps maintain the integrity of our proprietary intellectual property and to protect the embedded information and technology contained in our solutions. As a general practice, employees, contractors, and other parties with access to our proprietary information sign agreements that prohibit the unauthorized use or disclosure of our proprietary rights, information, and technology.

**Human Capital**

Our global workforce is united by our mission to serve, add value, and innovate for customers. We continue to invest in our people worldwide by encouraging all employees to reach their full potential through a focus on learning, providing competitive compensation and benefits, and a culture anchored on our purpose driven values of results, learning, and caring.

As a knowledge-based business, we carefully integrate the skills and talents of approximately 7,800 employees worldwide as of December 31, 2024. Most of our highly credentialed team holds advanced degrees and professional certifications specializing in actuarial science, chemistry and physics, commercial banking, finance, commodity analytics, data science and artificial intelligence, economics, engineering, GIS mapping, meteorology, natural resources, predictive analytics, supply chain, and other fields.

Approximately 59% of our employees are based in the United States, 12% in the United Kingdom, 9% in India, with the remainder serving in 20 other countries across the globe.

Very few of our employees are represented by unions or subject to collective bargaining agreements, and only a small number of employees in Germany are represented by a works council. We consider our relationship with our employees to be good and have not experienced interruptions of operations due to labor disagreements.

We support and work to inspire our people with a collaborative and engaging culture, and career development and learning opportunities at all levels, competitive compensation and benefits, an ongoing focus on well-being, and responsive leadership. Starting in 2021, we introduced a common global wellbeing day across the enterprise to recognize the importance of the total wellbeing of our workforce.

In 2024, we continued to prioritize career development across the company by utilizing an employee-centric strategy based on feedback from employees and managers. We further developed a Career Framework, to provide clarity on jobs across all of our businesses and functions. This enables employees to envision their next career steps and explore career pathways and development opportunities within the company. By actively listening to both employees and managers, we identified key enhancements including skills and proficiency levels aligned to each of our job functions (over 2,000 skill/job combinations), and new tools and training for employees to navigate. Our 2024 Career Framework education sessions were attended by 3,306 colleagues, providing them insights into how to navigate their careers at Verisk.

Each quarter, employees and managers participate in quarterly check-ins and are prompted to review and discuss goals, progress, and ways to grow and develop. We supported managers by offering targeted training around having productive career conversations. In 2024, we saw 854 people leaders attend our Career Conversations education sessions. Also, during each of our quarterly check-ins, we asked employees to answer a question to track progress against a leadership goal assigned to all people managers. By tracking employee answers, we know over 76% of employees discussed goals by the end of Q1, over 93% of employees reported receiving feedback in Q2, and 75% reported having career conversations with their managers in Q3. This is a strong measure of employee perceptions of managers due to the high level of participation in quarterly reviews (90%+ of employees participate in quarterly reviews).

Our leadership development programs are targeted at rising professionals, first-time managers, and new for 2024, experienced leaders. Our new Experienced Leader Program ran a pilot with 35 global leaders and had a successful fall 2024 cohort with 87 global leaders participating. In 2024, we saw a large increase in participation for our rising professionals leadership program, Accelerate Your Leadership, which saw 455 colleagues enroll for the program this year. This represented a 185% increase in participation comparative to 2023. The 2024 Leadership Meeting brought together 114 senior leaders across Verisk's businesses. The event fostered understanding of business strategy, visibility, and alignment on 2024 key priorities, and created momentum and engagement for the future. In 2024, our high-potential development program gave 52 "rising stars" access to Verisk's senior leaders and Board of Directors, opportunities to network across business lines, and access to an executive coaching experience.

In addition, and more broadly, our mentoring program provided one-on-one learning and growth opportunities to a record 464 participants, more than double the number in 2023. 2,400 attendees also joined one of our monthly "Learning Breaks" on topics that included leadership, motivation, feedback, creativity, and learning. This represented a total attendance per month increase of 25% over 2023.

We offer competitive salaries, short and long-term incentives, and the opportunity for advancement. In addition, our Benefits program includes paid time off ("PTO"), flextime and telecommuting options, and a 401(k) program with a 100% company cash match (up to 6%). We also offer health insurance plans, no-cost life insurance equivalent to annual salary (with the option to purchase more), a discounted stock purchase program, a variety of physical, mental, and financial well-being offerings and resources. Terms vary by business unit and country.

In 2024, over 1,000 Verisk employees across 23 locations and 7 countries registered volunteer hours during Verisk Volunteer Week. Efforts included a Rise Against Hunger event with over 85,000 meals packed, donation drives, and local community cleanup activities.

The health and safety of our people working around the globe is a top priority, and our facilities worldwide follow rigorous, internally and externally audited, occupational health and safety policies. We also recognize that protecting the health, safety and wellbeing of our employees is crucial.

The majority of our people worked remotely in 2021 but moved to a hybrid work policy in 2022 and 2023 with at least 2 days in the office. Senior leaders moved to 3 days in the office in 2023. We saw increased collaboration and engagement as a result of these moves.

Our employee engagement score for 2024 is 78%, remaining steady since 2023. Verisk continues to be recognized for our outstanding workplace culture by Great Place to Work® in the U.S., receiving certification for the ninth consecutive year. In 2024, Verisk was certified for the fifth time in the United Kingdom, Spain, and India and was certified for the third time in Poland. Employees feel Verisk meets the benchmark for innovation, inclusivity, company values, and leaders' effectiveness.

We are also earning recognition from several Best Workplaces™ lists including Fortune's Best Workplaces in New York™, UK's Best Workplaces™, UK's Best Workplaces for Wellbeing™, UK's Best Workplaces for Development™, UK's Best Workplaces in Tech™, Spain's Best Workplaces™, Best Workplaces in Málaga™, Poland's Best Workplaces™, and India's Great Mid-size Workplaces™. The Great Place to Work Institute is a global authority on high-trust, high-performance workplaces. To achieve certification, Verisk employees are surveyed on the extent to which they reported a consistently great workplace experience. To create an outstanding employee experience, leaders understand and act on their results and insights, and continuously communicate with employees through town halls and local engagement events.

**Regulation**

Because our business involves the distribution of certain personal, public, and nonpublic data to businesses and governmental entities that make eligibility, service, and marketing decisions based on such data, certain of our solutions and services are subject to regulation under federal, state, and local laws in the U.S. and, to a lesser extent, in foreign countries. Examples of such regulation include the Fair Credit Reporting Act, which regulates the use of consumer credit report information; the Gramm-Leach-Bliley Act, which regulates the use of nonpublic personal financial information held by financial institutions and applies indirectly to companies that provide services to financial institutions; the Drivers Privacy Protection Act, which prohibits the public disclosure, use, or resale by any state's department of motor vehicles of personal information about an individual that was obtained by the department in connection with a motor vehicle record, except for a "permissible purpose"; and various other federal, state, and local laws and regulations.

Those laws generally restrict the use and disclosure of personal information and provide consumers certain rights to know the manner in which their personal information is being used, to challenge the accuracy of such information, and/or to prevent the use and disclosure of such information. In certain instances, the laws also impose requirements for safeguarding personal information through the issuance of data security standards or guidelines. Certain state laws impose similar privacy obligations as well as obligations to provide notification of security breaches in certain circumstances.

We are also licensed as a rating, rate service, advisory, or statistical organization under state insurance codes in all 50 states, Puerto Rico, Guam, the U.S. Virgin Islands, and the District of Columbia. As such an advisory organization, we provide statistical, actuarial, policy language development, and related solutions and services to P&C insurers, including advisory prospective loss costs, other prospective cost information, manual rules, and policy language. We also serve as an officially designated statistical agent of state insurance regulators to collect policy writing and loss statistics of individual insurers and compile that information into reports used by the regulators.

Many of our solutions, services, and operations as well as insurers' use of our services are subject to state rather than federal regulation by virtue of the McCarran-Ferguson Act. As a result, many of our operations and solutions are subject to review and/or approval by state regulators. Further, our operations involving licensed advisory organization activities are subject to periodic examinations conducted by state regulators; and our operations and solutions are subject to state antitrust and trade practice statutes within or outside state insurance codes, which are typically enforced by state attorneys general and/or insurance regulators.

**Available Information**

We maintain an Investor Relations website on the Internet at investor.verisk.com. We make available free of charge on or through this website, our annual, quarterly, and current reports and any amendments to those reports as soon as reasonably practicable following the time they are electronically filed with or furnished to the U.S. Securities and Exchange Commission ("SEC"). For access to the filings, click the "SEC Filings" link on the "Financials" tab on our Investor Relations homepage. The contents of our website are not incorporated into this filing. Verisk trades on the NASDAQ Global Market in the Nasdaq Global Select Market segment under the ticker symbol "VRSK." Our stock was first publicly traded on October 7, 2009.

The public may read any materials filed by Verisk with the SEC on the SEC's Internet site (www.sec.gov), which contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

## Item 1A. Risk Factors

*You should carefully consider the following risks and all of the other information set forth in this annual report on Form 10-K before deciding to invest in any of our securities. If any of the following risks actually occurs, our business, financial condition or results of operations would likely suffer. In such case, the trading price of our securities, including our common stock, could decline due to any of these risks, and you may lose all or part of your investment.*

### Strategic and Operational Risks Related to Our Business

***We are subject to competition in many of the markets in which we operate and we may not be able to compete effectively.***

Some markets in which we operate or which we believe may provide growth opportunities for us are highly competitive, and are expected to remain highly competitive. We compete on the basis of quality, customer service, product and service selection, and pricing. Our competitive position in various market segments depends upon the relative strength of competitors in the segment and the resources devoted to competing in that segment. Due to their size, certain competitors may be able to allocate greater resources to a particular market segment than we can. As a result, these competitors may be in a better position to anticipate and respond to changing customer preferences, emerging technologies and market trends. In addition, new competitors and alliances may emerge to take market share away, and as we enter into new lines of business, due to acquisition or otherwise, we face competition from new players with different competitive dynamics. We may be unable to maintain our competitive position in our market segments, especially against larger competitors. We may also invest further to upgrade our systems in order to compete. If we fail to successfully compete, our business, financial position and results of operations may be adversely affected.

***To the extent the availability of free or relatively inexpensive information increases, the demand for some of our solutions may decrease.***

Public sources of free or relatively inexpensive information have become increasingly available recently, particularly through the Internet, and this trend is expected to continue. Governmental agencies in particular have increased the amount of information to which they provide free public access. Public sources of free or relatively inexpensive information may reduce the demand for our solutions. To the extent that customers choose not to obtain solutions from us and instead rely on information obtained at little or no cost from these public sources, our business and results of operations may be adversely affected.

***If we are unable to develop successful new solutions or if we experience defects, failures and delays associated with the introduction of new solutions, our business could suffer serious harm.***

Our growth and success depend upon our ability to develop and sell new solutions. If we are unable to develop new solutions, or if we are not successful in introducing and/or obtaining regulatory approval or acceptance for new solutions, or products we develop face sufficient pricing pressure to make them unattractive to pursue, we may not be able to grow our business, or growth may occur more slowly than we anticipate. In addition, significant undetected errors or delays in new solutions may affect market acceptance of our solutions and could harm our business, financial condition or results of operations. In the past, we have experienced delays while developing and introducing new solutions, primarily due to difficulties in developing models, acquiring data and adapting to particular operating environments. Errors or defects in our solutions that are significant, or are perceived to be significant, could result in rejection of our solutions, damage to our reputation, loss of revenues, diversion of development resources, an increase in product liability claims, and increases in service and support costs and warranty claims.

***We typically face a long selling cycle to secure new contracts that require significant resource commitments, which result in a long lead time before we receive revenues from new relationships.***

We typically face a long selling cycle to secure a new contract and there is generally a long preparation period in order to commence providing the services. We typically incur significant business development expenses during the selling cycle and we may not succeed in winning a new customer’s business, in which case we receive no revenues and may receive no reimbursement for such expenses. Even if we succeed in developing a relationship with a potential new customer, we may not be successful in obtaining contractual commitments after the selling cycle or in maintaining contractual commitments after the implementation cycle, which may have a material adverse effect on our business, results of operations and financial condition.

***We could lose our access to data from external sources, which could prevent us from providing our solutions.***

We depend upon data from external sources, including data received from customers and various government and public record services, for information used in our data repositories. In general, we do not own the information in these data repositories, and the participating organizations could discontinue or materially limit contributing information to the data repositories. Our data sources could withdraw or increase the price for their data for a variety of reasons, and we could also become subject to legislative, judicial, or contractual restrictions on the use of such data, in particular if such data is not collected by the third parties in a way that allows us to legally use and/or process the data. We are also reliant on internal controls of third parties to ensure the accuracy of their data. If a third party suffers reputational damage from an underlying issue, we may discontinue using their services. If a substantial number of data sources, or certain key sources, were to withdraw, materially limit, be unable to provide their data, or if we were to lose access to data due to government regulation or policy, decline in reputation or if the collection of data became uneconomical, our ability to provide solutions to our customers could be impacted, which could materially adversely affect our business, reputation, financial condition, operating results, and cash flows.

Agreements with our data suppliers are short-term agreements. Some suppliers are also competitors, which may make us vulnerable to unpredictable price increases and may cause some suppliers not to renew certain agreements. Our competitors could also enter into exclusive contracts with our data sources. If our competitors enter into such exclusive contracts, we may be precluded from receiving certain data from these suppliers or restricted in our use of such data, which would give our competitors an advantage. Such a termination or exclusive contracts could have a material adverse effect on our business, financial position, and operating results if we were unable to arrange for substitute data sources.

***We derive a substantial portion of our revenues from U.S. P&C primary insurers. If there is a downturn in the U.S. insurance industry or that industry does not continue to accept our solutions, our revenues will decline.***

Revenues derived from solutions we provide to U.S. P&C primary insurers account for a substantial portion of our total revenues. During the year ended December 31, 2024, approximately 70% of our revenue was derived from solutions provided to U.S. P&C primary insurers. Also, our invoices for certain of our solutions are linked in part to premiums in the U.S. P&C insurance market, which may rise or fall in any given year due to loss experience and capital capacity and other factors in the insurance industry such as responses to natural disasters and climate-related events that are beyond our control. In addition, our revenues will decline if the insurance industry does not continue to accept our solutions.

Factors that might affect the acceptance of these solutions by P&C primary insurers include the following:

- changes in the business analytics industry;
- changes in technology;
- our inability to obtain or use state fee schedule or claims data in our insurance solutions;
- saturation of market demand;
- loss of key customers;
- industry consolidation; and
- failure to execute our customer-focused selling approach.

A downturn in the insurance industry, pricing pressure or lower acceptance of our solutions by the insurance industry could result in a decline in revenues from that industry and have a material adverse effect on our financial condition, results of operations and cash flows.

***Acquisitions, other strategic relationships and dispositions of our business, and related integration and separation risks, could result in operating difficulties and other harmful consequences, and we may not be successful in achieving the anticipated benefits of such transactions.***

Our long-term business strategy includes growth through acquisitions and other strategic relationships. Future acquisitions may not be completed on acceptable terms and acquired assets, data or businesses may not be successfully integrated into our operations, and we may ultimately divest unsuccessful acquisitions or investments. Moreover, from time to time we may also undertake dispositions of certain businesses or assets. Any acquisitions, investments and dispositions will be accompanied by the risks commonly encountered in such transactions. Such risks include, among other things:

- failing to implement or remediate controls, procedures and policies appropriate for a larger public company at acquired companies that prior to the acquisition lacked such controls, procedures and policies;
- paying more than fair market value for an acquired company or assets, or receiving less than fair market value for disposed businesses or assets;
- failing to integrate or separate the operations and personnel of the acquired or disposed businesses in an efficient, timely manner;
- assuming potential liabilities of an acquired company;
- managing the potential disruption to our ongoing business;
- distracting management focus from our core businesses;
- failing to retain management at the acquired company;
- difficulty in acquiring suitable businesses, including challenges in predicting the value an acquisition will ultimately contribute to our business;
- possibility of overpaying for acquisitions, particularly those with significant intangible assets that derive value using novel tools and/or are involved in niche markets;
- impairing relationships with employees, customers, and strategic partners;
- incurring expenses associated with the amortization of intangible assets particularly for intellectual property and other intangible assets;
- incurring expenses associated with an impairment of all or a portion of goodwill and other intangible assets due to changes in market conditions, weak economies in certain competitive markets, or the failure of certain acquisitions to realize expected benefits; and
- diluting the share value and voting power of existing stockholders.

The anticipated benefits of many of our acquisitions may not materialize. Future acquisitions or dispositions could result in the incurrence of debt, contingent liabilities or amortization expenses, or write-offs of goodwill and other intangible assets, any of which could harm our financial condition.

***We may incur substantial additional indebtedness in connection with future acquisitions.***

In order to finance acquisitions, which are an important part of our long-term growth strategy, we may incur substantial additional indebtedness and such increased leverage could adversely affect our business. In particular, the increased leverage could increase our vulnerability to sustained, adverse macroeconomic weakness, limit our ability to obtain further financing and limit our ability to pursue other operational and strategic opportunities. The increased leverage, potential lack of access to financing and increased expenses could have a material adverse effect on our financial condition, results of operations and cash flows.

***There may be consolidation in our end customer market, which could reduce the use of our services.***

Mergers or consolidations among our customers could reduce the number of our customers and potential customers. This could adversely affect our revenues even if these events do not reduce the aggregate number of customers or the activities of the consolidated entities. If our customers merge with or are acquired by other entities that are not our customers, or that use fewer of our services, they may discontinue or reduce their use of our services. The adverse effects of consolidation will be greater in sectors that we are particularly dependent upon, for example, in the P&C insurance sector. Any of these developments could materially adversely affect our business, financial condition, operating results, and cash flows.

**Financial and Economic Risks Related to Our Business**

***General economic, political and market forces and dislocations beyond our control could reduce demand for our solutions and harm our business.***

The demand for our solutions may be impacted by domestic and international factors that are beyond our control, including macroeconomic, political and market conditions, the energy transition driven by climate change and decarbonization, the availability of short-term and long-term funding and capital, the level and volatility of interest rates, currency exchange rates, and inflation. Any one or more of these factors may contribute to reduced activity and prices in the securities markets generally and could result in a reduction in demand for our solutions, which could have an adverse effect on our results of operations and financial condition. A significant additional decline in the value of assets for which risk is transferred in market transactions could have an adverse impact on the demand for our solutions.

***Our financial position may be impacted by tax audits or changes in tax laws or tax ruling***

We are subject to tax in the U.S., various state, and foreign jurisdictions, and are routinely under audit by various tax authorities. Our existing corporate structure and tax positions have been implemented in a manner which we believe is compliant with current tax laws, however it is possible that tax authorities may disagree with the positions we have taken due to differing interpretations of prevailing tax rules. Tax audits with an adverse outcome could have a material impact on our effective tax rate, cash tax positions, and deferred tax assets and liabilities.

Existing tax laws in the jurisdictions in which we operate are subject to change given current political and economic conditions. Changes in existing tax laws or rulings, or changes in interpretations of existing laws, could have a significant impact on our effective tax rate, cash tax positions, and deferred tax assets and liabilities. Furthermore, the Organization for Economic Co-operation and Development ("OECD") has issued Pillar Two model rules for a global minimum tax of 15% that has been agreed upon in principle by over 140 countries. We have assessed the effect of Pillar Two and do not expect it to materially increase our tax expense, the ultimate impact will depend on the implementation of specific rules in each jurisdiction.

**Cybersecurity and Product/Technology Risks Related to Our Business**

***Fraudulent or unpermitted data access and other cyber-security or privacy breaches may negatively impact our business and harm our reputation.***

Security breaches in our facilities, computer networks, and data repositories may cause harm to our business and reputation and result in a loss of customers. Many of our solutions involve the storage and transmission of proprietary information and sensitive or confidential data, which are significantly complex with various uses across businesses and locations. With a large number of inter-related systems, keeping the technology current and managing vulnerabilities is challenging. As with other global companies, our systems are regularly subject to cyber-attacks, cyber-threats, attempts at fraudulent access, physical break-ins, computer viruses, attacks by hackers and similar disruptive problems. As cyber-threats continue to evolve, we are required to expend significant additional resources to continue to modify and enhance our protective measures and to investigate and remediate any information security vulnerabilities and incidents. Despite efforts to ensure the integrity of our systems and implement controls, processes, policies and other protective measures, we may not be able to anticipate or detect all security breaches or fraudulent access attempts, nor may we be able to implement guaranteed preventive measures against such security breaches or fraudulent access attempts. Cyber-threats are rapidly evolving and we may not be able to anticipate, prevent or detect all such attacks and could be held liable for any security breach or loss.

Third-party contractors, including cloud-based service providers, also may experience security breaches involving the storage and transmission of proprietary information. If users gain improper access to our data repositories, they may be able to steal, publish, delete or modify confidential third-party information that is stored or transmitted on our networks. Our business relies on the secure processing, transmission, storage and retrieval of confidential, proprietary and other information in our computer and data management systems and networks, and in the computer and data management systems and networks of third parties. In addition, to access our network, products and services, our customers and other third parties may use personal mobile devices or computing devices that are outside of our network environment and are subject to their own cybersecurity risks.

In addition, customers', employees' or other's misuse of and/or gaining fraudulent or unpermitted access to or failure to properly secure our information or services could cause harm to our business and reputation and result in loss of customers. Any such misappropriation and/or misuse of or failure to properly secure our information could result in us, among other things, being in breach of certain data protection and related legislation.

A security or privacy breach may affect us in the following ways:

- deterring customers from using our solutions;
- deterring data suppliers from supplying data to us;
- harming our reputation;
- exposing us to liability;
- increasing operating expenses to correct problems caused by the breach;
- affecting our ability to meet customers' expectations; and/or
- causing inquiry from governmental authorities.

Incidents in which consumer data has been fraudulently or improperly acquired or viewed, or any other security or privacy breaches, have in the past occurred, and may in the future occur and could go undetected. The number of potentially affected consumers identified by any future incidents is inherently uncertain. Any such incident could materially adversely affect our business, reputation, financial condition, operating results and cash flows. In addition, media or other reports of perceived security vulnerabilities to our systems or those of our third-party suppliers, even if no breach has been attempted or occurred, could also adversely impact our reputation and materially impact our business.

***We may lose key business assets, through the loss of data center capacity or the interruption of telecommunications links, the internet, or power sources, which could significantly impede our ability to do business.***

Our operations depend on our ability, as well as that of third-party service providers to whom we have outsourced several critical functions, to protect data centers, whether in cloud or dedicated environments, and related technology against damage from hardware failure, fire, flood, power loss, telecommunications failure, impacts of terrorism, breaches in security (such as the actions of computer hackers), natural disasters, or other disasters. Certain of our facilities are located in areas that could be impacted by coastal flooding, earthquakes or other disasters. The online services we provide are dependent on links to telecommunications providers. In addition, we generate a significant amount of our revenues through telesales centers and websites that we utilize in the acquisition of new customers, fulfillment of solutions and services and responding to customer inquiries. We may not have sufficient redundant operations to cover a loss or failure in all of these areas in a timely manner. Certain of our customer contracts provide that our online servers may not be unavailable for specified periods of time. Any damage to our or our third-party service provider's data centers, failure of our telecommunications links or inability to access these telesales centers or websites could cause interruptions in operations that materially adversely affect our ability to meet customers' requirements, resulting in decreased revenue, operating income and earnings per share.

***A technology vendor that provides critical services, such as cloud-based infrastructure, creates a single point of failure resulting in pricing or contract lock-in risk.***

As our operations migrate to a cloud-based information technology infrastructure and delivery model (distributed computing infrastructure platform for business), systems are consolidated into a smaller number of large infrastructure suppliers. We cannot easily switch cloud providers, meaning that any disruption of or interference with our use of a particular supplier, would impact our operations and our business would be adversely impacted. Any of the few of these suppliers could suffer an outage which would in turn result in an outage for one or more of our products. These suppliers could also be subject to regulatory actions, or conflicts of interest which could force us to seek alternative suppliers in a short time period, at an economic disadvantage.

***Generative AI use by our customers or other third parties could result in the replacement of our existing products and/or solutions or the reduction of their relevance.***

For a subset of our products we rely on proprietary or copyrighted material which could be fed into generative AI large language models without our knowledge. This could result in duplication of our products or solutions by generative AI tools and reduce the relevance or value proposition of such products or solutions.

***Our own use of AI, including but not limited to generative AI, to enhance our products could lead to unanticipated consequences such as ethical, compliance, privacy-observing, bias-reducing, and/or intellectual property issues.***

Increasing use of AI, including but not limited to generative AI models, in our internal systems may create new attack methods for adversaries and raise ethical, technological, legal, regulatory, and other challenges, which may negatively impact our brands and demand for our products and services. Our business policies and internal security controls may not keep pace with these changes as new threats emerge, or the emerging cybersecurity regulations in jurisdictions worldwide. Additionally, we are actively adding new generative AI features to our services. Because the generative AI landscape is developing and inherently risky, no assurance can be given that such strategies and offerings will be successful or will not harm our reputation, financial condition, and operating results. Product features that rely on generative AI may be susceptible to unanticipated security threats from sophisticated adversaries.

***We use analytical models to assist our customers 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 use various modeling techniques (e.g., scenarios, predictive, stochastic and/or forecasting) and data analytics to analyze and estimate exposures, loss trends and other risks associated with our products. We use the modeled outputs and related analyses to assist customers with decision-making (e.g., underwriting, pricing, claims, reserving, reinsurance, and catastrophe risk). The modeled outputs and related analyses are subject to various assumptions, uncertainties, model errors and the inherent limitations of any statistical analysis, including the use of historical internal and industry data. In addition, the modeled outputs and related analyses may occasionally contain inaccuracies, perhaps in material respects, including as a result of inaccurate inputs or applications thereof. Climate change and other variables may make modeled outcomes less certain or produce new, non-modeled risks. Consequently, actual results may differ materially from our modeled results. If, based upon these models or other factors, we provide inaccurate information to customers, or overestimate the risks we are exposed to, new business growth and retention of our existing business may be adversely affected which could have an adverse effect on our results of operations and financial condition.

## Legal, Regulatory and Compliance Risks Related to Our Business

***We will continue to rely upon proprietary technology rights, and if we are unable to protect them, our business could be harmed.***

Our success depends, in part, upon our intellectual property rights. To date, we have relied primarily on a combination of copyright, patent, trade secret, and trademark laws and nondisclosure and other contractual restrictions on copying and distribution to protect our proprietary technology. This protection of our proprietary technology is limited, and our proprietary technology could be used by others without our consent. In addition, patents may not be issued with respect to our pending or future patent applications, and our patents may not be upheld as valid or may not prevent the development of competitive products. Businesses we acquire also often involve intellectual property portfolios, which increase the challenges we face in protecting our strategic advantage. Any disclosure, loss, invalidity of, or failure to protect our intellectual property could negatively impact our competitive position, and ultimately, our business. Our protection of our intellectual property rights in the U.S. or abroad may not be adequate and others, including our competitors, may use our proprietary technology without our consent. Furthermore, litigation may be necessary to enforce our intellectual property rights, to protect our trade secrets, or to determine the validity and scope of the proprietary rights of others. Such litigation could result in substantial costs and diversion of resources and could harm our business, financial condition, results of operations, and cash flows.

***Regulatory developments could negatively impact our business.***

Because personal, public and non-public information is stored in some of our data repositories, we are vulnerable to government regulation and policy, as well as adverse publicity concerning the use of our data. We provide many types of data and services that already are subject to regulation under the Fair Credit Reporting Act, Gramm-Leach-Bliley Act, Driver's Privacy Protection Act, the European Union's General Data Protection Regulation, the Dodd Frank Wall Street Reform and Consumer Protection Act and to a lesser extent, various other federal, state, and local laws and regulations. These laws and regulations are designed to protect the privacy of the public and to prevent the misuse of personal information in the marketplace. However, many consumer advocates, privacy advocates, and government regulators believe that the existing laws and regulations do not adequately protect privacy. They have become increasingly concerned with the use of personal information, particularly social security numbers, department of motor vehicle data and dates of birth. As a result, they are lobbying for further restrictions on the dissemination or commercial use of personal information to the public and private sectors. Similar initiatives are under way in other countries in which we do business or from which we source data. We have implemented various measures to comply with the data privacy and protection principles of the European Union's General Data Protection Regulation, however, there can be no assurances that such methods will be deemed fully compliant. If we are unable to comply with the data privacy and protection principles adopted pursuant to the General Data Protection Regulation, it will impede our ability to conduct business between the U.S. and the E.U. which could have a material adverse effect on our business, financial position, results of operations or cash flows.

The following legal and regulatory developments also could have a material adverse effect on our business, financial position, results of operations or cash flows:

- amendment, enactment, interpretation of laws and regulations or implementation of policy which restrict the access and use of personal information and reduce the supply of data available to customers;
- changes in cultural and consumer attitudes to favor further restrictions on information collection and sharing, which may lead to regulations that prevent full utilization of our solutions;
- failure of our solutions or business processes or policies to meet or comply with current and future laws and regulations and their interpretations;
- failure of our solutions or business processes or policies to adapt to changes in the regulatory environment in an efficient, cost-effective manner; and
- potential inquiries or investigations from government officials or others related to our policies and practices governing social issues.

***We are subject to antitrust, consumer protection, intellectual property, data privacy, and other litigation, as well as governmental investigations, and may in the future become further subject to such litigation and investigations; an adverse outcome in such litigation or investigations could have a material adverse effect on our financial condition, revenues and profitability.***

We participate in businesses (particularly insurance-related businesses and services) that are subject to substantial litigation, including antitrust, consumer protection, intellectual property litigation, and data privacy. In addition, our insurance specialists are in the business of providing advice on standard contract terms, which if challenged could expose us to substantial reputational harm and possible liability. We are subject to the provisions of a 1995 settlement agreement in an antitrust lawsuit brought by various state Attorneys General and private plaintiffs, which imposes certain constraints with respect to insurer involvement in our governance and business.

Our failure to successfully defend or settle any litigation or resolve any governmental investigation, inquiry or examination could result in liability that, to the extent not covered by our insurance, could have a material adverse effect on our financial condition, revenues and profitability. Given the nature of our business, we may be subject to litigation or investigation, inquiry or examination in the future. Even if the direct financial impact of such litigation or investigations is not material, settlements or judgments arising out of such litigation or investigations could include further restrictions on our ability to conduct business, including potentially the elimination of entire lines of business, which could increase our cost of doing business and limit our prospects for future growth.

***We could face claims for intellectual property infringement, which if successful could restrict us from using and providing our technologies and solutions to our customers.***

There has been substantial litigation and other proceedings, particularly in the U.S., regarding patent and other intellectual property rights in the information technology industry. There is a risk that we are infringing, or may in the future infringe, the intellectual property rights of third parties. We have, from time-to-time, been subject to litigation alleging intellectual property infringement. We monitor third-party patents and patent applications that may be relevant to our technologies and solutions and we carry out freedom to operate an analysis where we deem appropriate. However, such monitoring and analysis has not been, and is unlikely in the future to be, comprehensive, and it may not be possible to detect all potentially relevant patents and patent applications. Since the patent application process can take several years to complete, there may be currently pending applications, unknown to us, that may later result in issued patents that cover our products and technologies. As a result, we may infringe existing and future third-party patents of which we are not aware. As we expand our operations there is a higher risk that such activity could infringe the intellectual property rights of third parties.

Third-party intellectual property infringement claims and any resultant litigation against us or our technology partners or providers, could subject us to liability for damages, restrict us from using and providing our technologies and solutions or operating our business generally, or require changes to be made to our technologies and solutions. Even if we prevail, litigation is time consuming and expensive to defend and would result in the diversion of management's time and attention.

If a successful claim of infringement is brought against us and we fail to develop non-infringing technologies and solutions or to obtain licenses on a timely and cost-effective basis, this could materially adversely affect our business, reputation, financial condition, operating results, and cash flows.

***We are subject to extensive procurement laws and regulations, including those that enable the U.S. government to terminate contracts for convenience. Our business and reputation could be adversely affected if we or those we do business with fail to comply with or adapt to existing or new procurement laws and regulations which are constantly evolving.***

We and others with which we do business must comply with laws and regulations relating to the award, administration and performance of U.S. government contracts. Government contract laws and regulations as well as policy implementation affect how we do business with our customers and impose certain risks and costs on our business. A violation of these laws and regulations by us, our employees, or others working on our behalf, such as a supplier or a joint venture partner, could harm our reputation and result in the imposition of fines and penalties, the termination of our contracts, suspension or debarment from bidding on or being awarded contracts, loss of our ability to perform services and civil or criminal investigations or proceedings. In addition, costs to comply with new government regulations can increase our costs, reduce our margins, and adversely affect our competitiveness.

Government contract laws and regulations can impose terms, obligations or penalties that are different than those typically found in commercial transactions. One of the significant differences is that the U.S. government may terminate any of our government contracts, not only for default based on our performance, but also at its convenience. Generally, prime contractors have a similar right under subcontracts related to government contracts. If a contract is terminated for convenience, we typically would be entitled to receive payments for our allowable costs incurred and the proportionate share of fees or earnings for the work performed. However, to the extent insufficient funds have been appropriated by the U.S. government to a particular program to cover our costs upon a termination for convenience, the U.S. government may assert that it is not required to appropriate additional funding. If a contract is terminated for default, the U.S. government could make claims to reduce the contract value or recover its procurement costs and could assess other special penalties, in some cases in excess of the contract value, exposing us to liability and adversely affecting our ability to compete for future contracts and orders. In addition, the U.S. government could terminate a prime contract under which we are a subcontractor, notwithstanding the fact that our performance and the quality of the products or services we delivered were consistent with our contractual obligations as a subcontractor. Similarly, the U.S. government could indirectly terminate a program or contract by not appropriating funding. The decision to terminate programs or contracts for convenience or default could adversely affect our business and future financial performance. Similarly, a government funding pause, suspension, or shut down could adversely affect our business and future financial performance.

**General Risk Factors Related to Our Business**

***Our operations are subject to additional risks inherent in international operations.***

With operations in 19 countries, we provide services to the insurance industry worldwide, including operations in various developing nations. Both current and future foreign operations could be adversely affected by unfavorable geopolitical developments, including legal and regulatory changes; tax changes; changes in trade policies; changes to visa or immigration policies; regulatory restrictions; government leadership changes; political events and upheaval; sociopolitical instability; social, political or economic instability resulting from climate change; and nationalization of our operations without compensation. Adverse activity in any one country could negatively impact operations, increase our loss exposure under certain of our insurance products, and could, otherwise, have an adverse effect on our business, liquidity, results of operations, and financial condition depending on the magnitude of the events and our net financial exposure at that time in that country.

Conducting extensive international operations subjects us to risks that are inherent in international operations, including challenges posed by different pricing environments and different forms of competition; lack of familiarity and burdens of complying with foreign laws, legal standards, regulatory requirements, tariffs and other barriers; unexpected changes in regulatory requirements, taxes, trade laws, tariffs, export quotas, custom duties, or other trade restrictions; differing technology standards; difficulties in collecting accounts receivable; difficulties in managing and staffing international operations; varying expectations as to employee standards; potentially adverse tax consequences, including possible restrictions on the repatriation of earnings; and reduced or varied protection for intellectual property rights in some countries. In addition, our international operations subject us to obligations associated with anti-corruption laws and regulations, such as the U.K. Bribery Act 2010, the U.S. Foreign Corrupt Practices Act and regulations established by the U.S. Office of Foreign Assets Control. Government agencies and authorities have a broad range of civil and criminal penalties they may seek to impose against companies for violations of export controls, anti-corruption laws or regulations, and other laws, rules, sanctions, embargoes, and regulations.

Moreover, international operations could be interrupted and negatively affected by economic changes, geopolitical regional conflicts, terrorist activity, political unrest, civil strife, acts of war, and other economic or political uncertainties. All of these risks could result in increased costs or decreased revenues, either of which could have a material adverse effect on our financial condition, results of operations and cash flows.

***We may fail to attract and retain enough qualified employees to support our operations, which could have an adverse effect on our ability to expand our business and service our customers.***

Our business relies on large numbers of skilled employees and our success depends on our ability to attract, train and retain a sufficient number of qualified employees. If our attrition rate increases, our operating efficiency and productivity may decrease. We compete for employees not only with other companies in our industry, but also with companies in other industries, such as software services, engineering services and financial services companies, and there is a limited pool of employees who have the skills and training needed to do our work.

If our business continues to grow, the number of people we will need to hire will increase. We will also need to increase our hiring if we are not able to maintain our attrition rate through our current recruiting and retention policies. Increased competition for employees could have an adverse effect on our ability to expand our business and service our customers, as well as cause us to incur greater personnel expenses and training costs.

***Physical and transition risks associated with climate change and its consequences could disrupt operations, threaten the safety of employees, or negatively impact our financial performance.***

While we seek to be a strategic partner to the global insurance industry in analyzing risks related to climate change and building resilience, we recognize that there are inherent risks wherever business is conducted. Climate-related events and its associated risks including acute physical risk such as heatwave, hurricane/cyclone, inland flooding, and wildfire, and chronic physical risk such as sea level rise and water stress could disrupt our operations and threaten the safety of our employees. Transition risks associated with achieving a lower-carbon global economy encompassing policy and legal risk such as potential costs associated with the introduction of mandatory global carbon pricing and potential regulatory mandates involving climate-related reporting obligations, technology risk such as the potential increase in costs associated with a mandated transition to low-emissions technologies, market risk such as the potential impacts of a market shift in customer demand toward low-carbon solutions, and reputation risk such as potential impacts on our business from increasing stakeholder expectations related to real or perceived deficiencies associated with our climate leadership, strategy, performance, or disclosures could negatively impact our financial performance.

***We are transitioning to a new Enterprise Resource Planning system and our ability to manage our business and monitor results is highly dependent upon information and communication systems. A failure of these systems or the ERP implementation could disrupt our business and results of operations.***

We are highly dependent upon a variety of internal computer and telecommunication systems to operate our business, including our enterprise resource planning ("ERP") systems.

In order to continue support of our growth, we have made and are continuing to make significant technological upgrades to our information systems. We are in various stages of implementing a company-wide, single ERP software system and related processes to perform various functions and improve on the efficiency of our global business. This is a lengthy and expensive process that will result in a diversion of resources from other operations. Continued execution of the project plan, or a divergence from it, may result in cost overruns, project delays or business interruptions. In addition, divergence from our project plan could impact the timing and/or extent of benefits we expect to achieve from the system and process efficiencies.

Any disruptions, delays or deficiencies in the design and/or implementation of the new ERP system, or in the performance of our legacy systems, particularly any disruptions, delays or deficiencies that impact our operations, could adversely affect our ability to effectively run and manage our business and adversely affect our reputation, competitive position, business, results of operations and financial condition.

**Risks Related to Our Common Stock**

***If there are substantial sales of our common stock, our stock price could decline.***

The market price of our common stock could decline as a result of sales of a large number of shares of our common stock in the market, or the perception that these sales could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem attractive. As of December 31, 2024, our ten largest shareholders owned 40.3% of our common stock, including 2.1% of our common stock owned by our Employee Stock Ownership Plan or ESOP. Such stockholders are able to sell their common stock in the public market from time to time without registration, and subject to limitations on the timing, amount and method of those sales imposed by securities laws. If any of these stockholders were to sell a large number of their common stock, the market price of our common stock could decline significantly. In addition, the perception in the public markets that sales by them might occur could also adversely affect the market price of our common stock.

Pursuant to our equity incentive plans, options to purchase approximately 2,007,306 shares of common stock were outstanding as of February 21, 2025. We filed a registration statement under the Securities Act, which covers the shares available for issuance under our equity incentive plans (including for such outstanding options) as well as shares held for resale by our existing stockholders that were previously issued under our equity incentive plans. Such further issuance and resale of our common stock could cause the price of our common stock to decline.

Also, in the future, we may issue our securities in connection with investments and acquisitions. The amount of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then outstanding common stock.

***Our capital structure, level of indebtedness and the terms of anti-takeover provisions under Delaware law and in our amended and restated certificate of incorporation and bylaws could diminish the value of our common stock and could make a merger, tender offer or proxy contest difficult or could impede an attempt to replace or remove our directors.***

We are a Delaware corporation and the anti-takeover provisions of the Delaware General Corporation Law may discourage, delay or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the person becomes an interested stockholder, even if a change of control would be beneficial to our existing stockholders. In addition, our certificate of incorporation and bylaws may discourage, delay or prevent a change in our management or control over us that stockholders may consider favorable or make it more difficult for stockholders to replace directors even if stockholders consider it beneficial to do so. Our certificate of incorporation and bylaws:

- authorize the issuance of "blank check" preferred stock that could be issued by our Board of Directors to increase the number of outstanding shares to thwart a takeover attempt;
- prohibit cumulative voting in the election of directors, which would otherwise allow holders of less than a majority of the stock to elect some directors;
- require that vacancies on the Board of Directors, including newly created directorships, be filled only by a majority vote of directors then in office;
- limit who may call special meetings of stockholders;
- prohibit stockholder action by written consent, requiring all stockholder actions to be taken at a meeting of the stockholders; and
- establish advance notice requirements for nominating candidates for election to the Board of Directors or for proposing matters that can be acted upon by stockholders at stockholder meetings.

In addition, Section 203 of the Delaware General Corporation Law may inhibit potential acquisition bids for us. As a public company, we are subject to Section 203, which regulates corporate acquisitions and limits the ability of a holder of 15% or more of our stock from acquiring the rest of our stock. Under Delaware law, a corporation may opt out of the anti-takeover provisions.

These provisions may prevent a stockholder from receiving the benefit from any premium over the market price of our common stock offered by a bidder in a potential takeover. Even in the absence of an attempt to effect a change in management or a takeover attempt, these provisions may adversely affect the prevailing market price of our common stock if they are viewed as discouraging takeover attempts in the future.

## Item 1B. Unresolved Staff Comments

Not Applicable.

## Item 1C. Cybersecurity

We remain steadfast in our commitment to safeguarding the confidentiality, integrity, availability, and responsible use of data. Our rigorous approach to cybersecurity is a comprehensive framework comprising cyber risk governance, risk identification and management, risk prevention and protection, monitoring and detection, and response and recovery planning, which is an integral part of our overall enterprise risk management ("Framework").

Cyber risk governance is founded on direction and priorities established by our leadership, supported and overseen by the Board of Directors ("Board"), and deployed through our Framework. The Framework leverages proven standards such as those embedded in the National Institute of Standards and Technology ("NIST") Cybersecurity Framework ("CSF"), which are generally accepted by cybersecurity leaders across industries.

The Board oversees our management of cybersecurity, including oversight of appropriate risk mitigation strategies. The Board receives regular reports from executives about our cybersecurity risks, management review processes, overall health and readiness to respond to an incident. The Risk Committee of the Board was established in February 2024 to oversee risk assessment and risk management of the Company in coordination with other relevant Board Committees as appropriate, including but not limited to the policies, procedures and strategic approach to cyber, technology and information security risks. The Risk Committee of the Board also reports material cybersecurity risks to our full Board.

The Executive Risk Management Committee ("ERMC"), which includes the top corporate executives, is responsible for providing guidance and enforcing our Framework, including the strategies, policies, procedures, processes, and systems, established by management to identify, assess, measure, monitor, and manage risks. The ERMC also reinforces the corporate risk appetite, determines whether residual risk is acceptable, and confirms materiality of security incidents.

The Enterprise Risk Management ("ERM") division of the Company oversees and advises on implementation of the Framework throughout our business units. In doing so, the ERM division aggregates and assesses risk across the enterprise. Within the ERM division is the Chief Information Security Officer ("CISO"), who leads our Cybersecurity and Information Risk Management functions. The CISO's functions partner with the business units to help ensure that cybersecurity risk management strategies are implemented and dedicated liaisons from the business units report to the CISO with meaningful cybersecurity risks, threats, incidents and vulnerabilities in accordance with the CISO's reporting framework. The ERM division hosts training and awareness sessions, sponsors working groups across the enterprise on critical security topics and provides centralized cybersecurity incident response. Also within the ERM division is our third-party risk program, which implements processes to identify cybersecurity risk associated with our third-party providers. Management, including the CISO and our cybersecurity team, regularly update the Risk committee on our cybersecurity programs, material cybersecurity risks and mitigation strategies and provide cybersecurity reports quarterly that cover, among other topics, third-party assessments of the company's cybersecurity programs, developments in cybersecurity and updates to the Company's cybersecurity programs and mitigation strategies.

Our business units have dedicated liaisons for risk management activities, who participate in a global security council designed to facilitate implementation of the Framework and associated policies. As custodians and/or processors of our stakeholders' data, our business units also accept certain compliance responsibilities, including but not limited to, aspects of the General Data Protection Regulation ("GDPR"), the California Consumer Privacy Act (CCPA), the Gramm-Leach Bliley Act ("GLBA"), the Health Insurance Portability and Accountability Act ("HIPAA"), the Fair Credit Reporting Act ("FCRA"), and the Payment Card Industry ("PCI") standard, all to the extent applicable. For each of its business units, we seek to actively confirm that its risk management practices fulfill applicable compliance requirements.

We have adopted a defense-in-depth strategy with a wide range of measures to secure our technology infrastructure and data as per our Framework. Security measures cover the following key areas as aligned with NIST CSF: risk identification and management, risk prevention and protection, monitoring and detection, and response and recovery planning. Key control functions that comprise the security measures include but are not limited to: risk assessment, asset management, supply chain risk management, identity and access management, customer credentialing, physical security, application and infrastructure security, perimeter and network security, secure development and change management, configuration management, endpoint security, security audit logging and monitoring, security operations center, incident response, business continuity and disaster recovery.

Our cybersecurity strategy includes the engagement of strategic providers, consultants and independent assessors to inform us of cyber threats and assess the effectiveness of control design and implementation. Strategic providers include, but are not limited to, a Managed Security Service Provider for our security operations center, as well as service providers that supplement incident response processes related to threat intelligence and dark web monitoring. Independent assessors include, but are not limited to, our Internal Audit Department which provides reports to the Audit Committee, as well as assessors that are engaged directly to perform external audits and penetration tests. Through independent assessors, our commitment to security has earned ISO 27001:2013 Certification for our core ERM centrally provided cybersecurity services, which is an international standard for best practices associated with our Information Security Management System.

As discussed more fully under "Item 1A – Risk Factors," although our processes are designed to help identify, protect, detect, respond to and mitigate potential cybersecurity incidents, cybersecurity threats are rapidly evolving and we may not be able to anticipate, prevent or detect all such attacks and there is no guarantee that a future cybersecurity incident would not materially affect our business strategy, results of operations, or financial condition.

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### Item 2. Properties

Our headquarters are in Jersey City, New Jersey. As of December 31, 2024, our principal offices consisted of the following properties:

| Location | Square Feet | Lease Expiration Date |
|---|---|---|
| Jersey City, New Jersey | 276,443 | December 31, 2033 |
| Lehi, Utah | 124,986 | April 30, 2031 |
| Boston, Massachusetts | 115,271 | November 30, 2030 |
| Hyderabad, India | 92,442 | September 30, 2028 |
| London, United Kingdom | 50,677 | November 29, 2030 |
| Krakow, Poland | 31,210 | June 30, 2028 |

We also lease offices in 12 states in the U.S., and 34 offices outside the U.S. to support our international operations in Australia, Canada, China, Costa Rica, France, Germany, India, Ireland, Italy, Japan, Nepal, Poland, Republic of Korea, Singapore, Spain, Sweden, and UK.

We believe that our properties are in good operating condition and adequately serve our current business operations. We also anticipate that suitable additional or alternative space, including those under lease options, will be available at commercially reasonable terms for future expansion.

### Item 3. Legal Proceedings

See Note 21, Commitments and Contingencies, to the consolidated financial statements included in Item 8 Part II of this 10-K for information regarding certain legal proceedings in which we are involved.

### Item 4. Mine Safety Disclosures

Not Applicable.

## PART II

### Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

*Market Information*

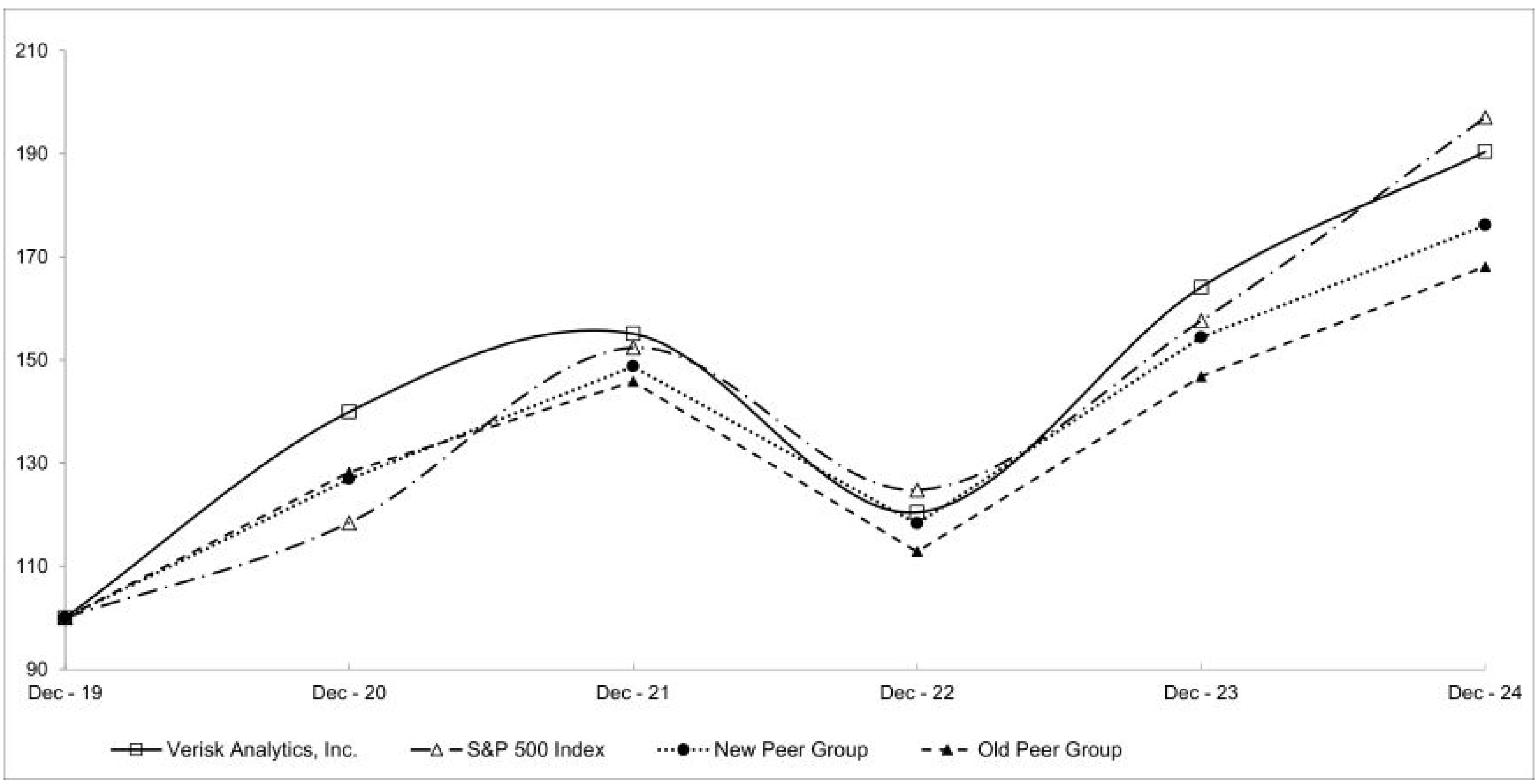
Verisk trades under the ticker symbol "VRSK" on the NASDAQ Global Select Market. As of February 21, 2025, there were approximately 78 stockholders of record. We believe the number of beneficial owners is substantially greater than the number of record holders because a large portion of common stock is held in "street name" by brokers.

On February 14, 2024, April 24, 2024, July 24, 2024, and October 23, 2024, our Board approved a cash dividend of $0.39 per share of common stock issued and outstanding to the holders of record as of March 15, 2024, June 15, 2024, September 15, 2024 and December 13, 2024, respectively. Cash dividends of $221.3 million and $196.8 million were paid during the years ended December 31, 2024 and 2023, respectively, and recorded as a reduction to retained earnings. We have a publicly announced share repurchase plan and repurchased a total of 90,198,709 shares since our IPO through December 31, 2024. As of December 31, 2024, we had 403,588,401 shares of treasury stock.

*Performance Graph*

The graph below compares the cumulative total stockholder return on $100 invested in our common stock, with the cumulative total return on $100 invested in the S&P 500 index, an aggregate index of our proxy peers used in our Notice of Annual Meeting of Stockholders and Proxy Statement filed with the Securities and Exchange Commission on April 7, 2023 and an aggregate index of our proxy peer used in our Notice of Annual Meeting of Stockholders and Proxy Statement to be filed within 120 days of December 31, 2024 (the "Proxy Statement"). In the transition year, the table and the graph below include both the prior and the new indices of peer companies. The new peer issuers used for this graph are Thomson Reuters Corporation, Nasdaq Inc., CoStar Group Inc., Equifax Inc., Fair Isaac Corp., Gartner, Inc., Global Payments, Inc., Clarivate PLC, Intercontinental Exchange, Inc., Jack Henry & Associates Inc., Moody's Corporation, MSCI Inc., S&P Global, and TransUnion. The old peer issuers used for this graph are Black Knight, Inc., CoStar Group Inc., Equifax Inc., Fair Isaac Corp., Gartner, Inc., Global Payments, Inc., Clarivate PLC, Nasdaq Inc., Intercontinental Exchange, Inc., Jack Henry & Associates Inc., Moody's Corporation, MSCI Inc., S&P Global, and TransUnion.

**COMPARISON OF CUMULATIVE TOTAL RETURN**
**Assumes $100 Invested on December 31, 2019**
**Assumes Dividend Reinvested**
**Fiscal Year Ended December 31, 2024**




*Recent Sales of Unregistered Securities*

We had no unregistered sales of equity securities during 2024.

***Issuer Purchases of Equity Securities***

Under the share repurchase program ("Repurchase Program"), we may repurchase stock in the market or as otherwise determined by us. These authorizations have no expiration dates and may be suspended or terminated at any time. As of December 31, 2024, we had $591.5 million available to repurchase shares. Our share repurchases for the quarter ended December 31, 2024 are set forth below:

| Period | Total Number of Shares Purchased | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs |
|---|---|---|---|---|
| | | | | (in millions) |
| October 1, 2024 through October 31, 2024 | 212,635 (1) | $ 263.92 (1) | 212,635 | $ 891.5 |
| November 1, 2024 through November 30, 2024 | 885,663 (2) | $ 287.92 (2) | 885,663 | $ 591.5 |
| December 1, 2024 through December 31, 2024 | — | $ — | — | $ 591.5 |
| | 1,098,298 | | 1,098,298 | |

______________

(1) In August 2024, we entered into an additional Accelerated Share Repurchase ("ASR") agreement (the "August 2024 ASR Agreement") to repurchase shares of our common stock for an aggregate purchase price of $400.0 million with Goldman Sachs & Co. LLC. The August 2024 ASR Agreement is accounted for as a treasury stock transaction and a forward stock purchase agreement indexed to our common stock. Upon payment of the aggregate purchase price on August 7, 2024, we received an initial delivery of 1,302,981 shares of our common stock at an initial price of $260.94 per share, representing an initial delivery of approximately 85 percent of the aggregate purchase price. Upon the final settlement of the August 2024 ASR Agreement in October 2024, we received 212,635 additional shares, as determined based on the volume weighted average share price of our common stock, less a discount, of $263.92 during the term of the August 2024 ASR Agreement.

(2) In November 2024, we entered into an additional ASR agreement (the "November 2024 ASR Agreement") to repurchase shares of our common stock for an aggregate purchase price of $300.0 million with Citibank, N.A. The November 2024 ASR Agreement is accounted for as a treasury stock transaction and a forward stock purchase agreement indexed to our common stock. Upon the payment of the aggregate purchase price on November 12, 2024, we received an initial delivery of 885,663 shares of our common stock at an initial price of $287.92 per share, representing an initial delivery of approximately 85 percent of the aggregate purchase price. Upon the final settlement of the November 2024 ASR Agreement in January 2025, we received 189,909 additional shares as determined by the daily volume weighted average share price of our common stock, less a discount, of $278.92 during the term of the November 2024 ASR Agreement.

**Item 6. [Reserved]**

**Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

*The following discussion should be read in conjunction with our historical financial statements and the related notes included elsewhere in this annual report on Form 10-K. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those discussed in or implied by any of the forward-looking statements as a result of various factors, including but not limited to those listed under "Risk Factors" and "Special Note Regarding Forward-Looking Statements." New risks and uncertainties come up from time to time, and it is impossible to predict these events or how they may affect us. We have no obligation to update any forward-looking statements after the date hereof, except as required by applicable federal securities law. This discussion includes a comparison of our results of operations, liquidity and capital resources, financing and financing capacity and cash flow for the years ended December 31, 2024, 2023, and 2022.*

We are a leading data analytics provider serving clients in the insurance markets. Using advanced technologies to collect and analyze billions of records, we draw on unique data assets and deep domain expertise to provide innovations that may be integrated into client workflows. We offer predictive analytics and decision support solutions to clients in rating, underwriting, claims, catastrophe and weather risk, global risk analytics, and many other fields. In the U.S., and around the world, we help clients protect people, property, and financial assets. Refer to Item 1. Business for further discussion.

Our clients use our solutions to make better decisions about risk and opportunities with greater efficiency and discipline. We refer to these products and services as "solutions" due to the integration among our services and the flexibility that enables our clients to purchase components or the comprehensive package. These solutions take various forms, including data, statistical models, or tailored analytics, all designed to allow our clients to make more logical decisions. We believe our solutions for analyzing risk positively impact our clients' revenues and help them better manage their costs.

**Executive Summary**

***Key Performance Metrics***

*Revenue growth*. We use year-over-year revenue growth as a key performance metric. We assess revenue growth based on our ability to generate increased revenue through increased sales to existing customers, sales to new customers, sales of new or expanded solutions to existing and new customers, and strategic acquisitions of new businesses.

*EBITDA.* We use year-over-year EBITDA growth as a key performance metric. EBITDA and EBITDA margin are non-GAAP financial measures. EBITDA is defined as net income before interest expense, provision for income taxes, and depreciation and amortization of fixed and intangible assets. We calculate EBITDA margin as EBITDA divided by revenues. The respective nearest applicable GAAP financial measures are net income and net income margin. Although EBITDA is a non-GAAP financial measure, EBITDA is frequently used by securities analysts, lenders, and others in their evaluation of companies; EBITDA has limitations as an analytical tool, and should not be considered in isolation, or as a substitute for an analysis of our operating income, net income, or cash flow from operating activities reported under GAAP. Management uses EBITDA and EBITDA margin in conjunction with traditional GAAP operating performance measures as part of its overall assessment company performance. We believe these measures are useful and meaningful because they help us allocate resources, make business decisions, allow for greater transparency regarding our operating performance, and facilitate period-to-period comparisons. Some of these limitations involved in the use of EBITDA are:

• EBITDA does not reflect our cash expenditures, or future requirements for capital expenditures or contractual commitments.

• EBITDA does not reflect changes in, or cash requirements for, our working capital needs.

• Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized often will have to be replaced in the future and EBITDA does not reflect any cash requirements for such replacements.

• Other companies in our industry may calculate EBITDA differently than we do, limiting its usefulness as a comparative measure.

*EBITDA growth*. We use EBITDA growth as a measure of our ability to balance the size of revenue growth with cost management and investing for future growth. EBITDA growth allows for greater transparency regarding our operating performance and facilitate period-to-period comparison.

*EBITDA margin.* We use EBITDA margin as a performance measure to assess segment performance and scalability of our business. We assess EBITDA margin based on our ability to increase revenues while controlling expense growth.

***Revenues***

We earn revenues through agreements for hosted subscriptions, advisory/consulting services, and for transactional solutions, recurring and non-recurring. Subscriptions for our solutions are generally paid in advance of rendering services either quarterly or in full upon commencement of the subscription period, which is usually for one to five years and automatically renewed each year. As a result, the timing of our cash flows generally precedes our recognition of revenues and income and our cash flow from operations tends to be higher in the first quarter as we receive subscription payments. Examples of these arrangements include subscriptions that allow our customers to access our standardized coverage language, our claims fraud database, or our actuarial services throughout the subscription period. In general, we experience minimal revenue seasonality within the business. Approximately 81% and 80% of the revenues in our Insurance segment for the years ended December 31, 2024 and 2023, respectively, were derived from hosted subscriptions through agreements for our solutions, respectively.

We also provide advisory/consulting services, which help our customers get more value out of our analytics and their subscriptions. In addition, certain of our solutions are paid for by our customers on a transactional basis, recurring and non-recurring. For example, we have solutions that allow our customers to access property-specific rating and underwriting information to price a policy on a commercial building, or compare a P&C insurance or a workers' compensation claim with information in our databases, or use our repair cost estimation solutions on a case-by-case basis. For the years ended December 31, 2024 and 2023, approximately 19% and 20% of our consolidated revenues, respectively, were derived from providing transactional and advisory/consulting solutions, respectively.

***Principal Operating Costs and Expenses***

Personnel expenses are a major component of both our cost of revenues and selling, general and administrative expenses. Personnel expenses, which represented approximately 56% and 57% of our total operating expenses (excluding gains/losses related to dispositions) for each of the years ended December 31, 2024 and 2023, respectively, include salaries, benefits, incentive compensation, equity compensation costs, sales commissions, employment taxes, recruiting costs, and outsourced temporary agency costs.

We assign personnel expenses between two categories, cost of revenues and selling, general and administrative costs, based on the actual costs associated with each employee. We categorize employees who maintain our solutions as cost of revenues, and all other personnel, including executive managers, salespeople, marketing, business development, finance, legal, human resources, and administrative services, as selling, general and administrative expenses. A significant portion of our other operating costs, such as facilities and communications, are either captured within cost of revenues or selling, general and administrative expense based on the nature of the work being performed.

While we expect to grow our headcount over time to take advantage of our market opportunities, we believe that the economies of scale in our operating model will allow us to grow our personnel expenses at a lower rate than revenues. Historically, our EBITDA margin has improved because we have been able to increase revenues without a proportionate corresponding increase in expenses. However, part of our corporate strategy is to invest in new solutions and new businesses, which may offset margin expansion.

*Cost of Revenues.* Our cost of revenues consists primarily of personnel expenses. Cost of revenues also includes the expenses associated with the acquisition and verification of data, the maintenance of our existing solutions, and the development and enhancement of our next-generation solutions. Our cost of revenues excludes depreciation and amortization.

*Selling, General and Administrative Expense.* Our selling, general and administrative expense also consists primarily of personnel costs. A portion of the other operating costs such as facilities, insurance, and communications are allocated to selling, general and administrative costs based on the nature of the work being performed by the employee. Our selling, general and administrative expenses exclude depreciation and amortization.

***Trends Affecting Our Business***

A significant change in the profitability of P&C insurers could affect the demand for our solutions. The keys to profitability for insurers include premium growth, increasing investment income, and disciplined and accurate underwriting of risks. The growth of direct written premiums for P&C insurers has exhibited cyclical patterns, with total industry premium growth declining from a peak of 14.8% in 2002 to a trough of (3.1)% in 2009 and subsequently recovering to 5.1% in 2019. In 2020, industry premium growth declined to 2.3% due to the impact of the pandemic. Direct premium growth accelerated to 9.5% in 2021, 9.7% in 2022, and further increased to 10.4% in 2023, indicating a continued recovery from the pandemic. Based on the most recent results available, written premiums continued to grow in 2024 at a comparable level.

With inflation remaining above pre-pandemic levels throughout 2024 and the CPI consistently exceeding the 2% target, reaching 2.9% in December, the Federal Reserve took timely action to adjust its monetary policy and reduce interest rates. The federal funds rate was reduced from a target range of 5.25-5.5% early in 2024 to a target range of 4.25-4.5% range by the end of December. Reductions in interest rates can lead to increased consumer spending and investment, resulting in higher demand for insurance products as individuals and businesses seek to protect their assets. In such cases, comprehensive data analysis and risk assessment support can help insurers significantly improve their operations. It enables more accurate calculations and provides a broad, systemic view of the market.

Despite some progress made towards actuarially sound pricing, carriers are still working to improve loss ratios and profitability in the face of heightened inflation. Until premium pricing adjustments are fully implemented, and profitability improves, some carriers are not yet spending as much as they have in the past to drive new policy volume, which could have a short-term impact on demand and volume for our Marketing Solutions offerings and auto underwriting solutions.

Insurers' annualized yield on investments (not attributable to cash transfers from outside the P&C industry) was 2.5% as of the first nine months of 2024, down from the 3.2% yield at year-end 2023 despite still moderately high interest rates (compared to the pre-pandemic period) in 2024. These recent investment results are lower than the historical 15-year average of 3.3%, showing that yields on investments, a major component of insurers' balance sheets, have yet to follow the trend in interest rates.

The trend of high catastrophe losses for insurers that began in 2020 continued through 2024. Insurance losses in these five latest years were more than 1.75 times the losses in the prior five years (2015-2019). Both 2023 and 2024 reflected a record high for the number of catastrophes recorded in a single year. But while those 2023 catastrophes translated into the lowest financial losses in any year since the pandemic, 2024, however, brought much greater catastrophic impacts that resulted in significant losses. The 2024 Atlantic hurricane season was the second most expensive on record, surpassed only by the 2017 season. Although Hurricane Helene was the deadliest, causing massive flooding in North Carolina and significant property damage and loss of life, most of the damage was caused by Hurricane Milton, one of the strongest tropical cyclones to hit the Gulf of Mexico. In addition, Hurricane Beryl, the earliest Category 5 hurricane on record, caused widespread devastation as it crossed the Caribbean and Gulf of Mexico. And 2025 is off to an active start with the latest breakout of wildfires in California with insured industry losses to property that our Extreme Event Solutions group has estimated could be as much as $35.0 billion.

These trends in catastrophe and non-catastrophe losses (such as from weather, climate, casualty, terrorism, pandemics, and tsunamis) can influence our customers' profitability, and therefore their appetite for buying analytics to help them manage their risks. Any increase or decrease in frequency or severity of these events over time could lead to an increased or decreased demand for our catastrophe modeling, catastrophe loss information, and repair cost solutions. Likewise, any structural changes in the reinsurance and related brokerage industry from alternative capital or newer technologies could affect demand for our products. A portion of our revenue is also related to the number of claims processed due to losses, which can be impacted by seasonal storm or wildfire activity. The need by our customers to fight insurance fraud - both in claims and at policy inception - could also lead to increased demand for our underwriting and claims solutions.

***Description of Acquisitions***

We acquired 8 businesses since January 1, 2022. These acquisitions affect the comparability of our consolidated results of operations between periods. See a description of our 2024 acquisition below and Note 10. Acquisitions to our consolidated financial statements included in this annual report on Form 10-K for further discussions.

On January 8, 2024, we completed the acquisition of 100 percent of Rocket Enterprise Solutions GmbH ("Rocket") for a net cash purchase price of $10.1 million, of which $2.2 million represents a deferred payment and $0.3 million represents a holdback payment. The majority of the purchase price was allocated to goodwill as we did not incur any material liabilities. Rocket's strong property claims and underwriting technology has been widely adopted by many of the largest insurers and service providers across Germany and Austria. Rocket has become a part of our claims category. The acquisition, which follows a strategic investment by Verisk in Rocket in 2022, will further Verisk's expansion in Europe and the Company's goal of helping insurers and claims service providers leverage more holistic data and technology tools to enhance the claims experience.

***Description of Dispositions***

In December 2024, we sold Atmospheric and Environmental Research ("AER") for $7.1 million. The sale resulted in a loss of $12.1 million that was included within "Other operating (loss) income" in the accompanying consolidated statements of operations for the year ended December 31, 2024.

***Description of Discontinued Operations***

See a description of our 2023 disposition below and within Note 11. Dispositions and Discontinued Operations to our consolidated financial statements included in this annual report on Form 10-K for further discussions.

On February 1, 2023, we completed the sale of our Energy business to Planet Jersey Buyer Ltd, an entity that was formed on behalf of, and is controlled by, The Veritas Capital Fund VIII, L.P. and its affiliated funds and entities ("Veritas Capital"), for a net cash sale price of $3,066.4 million paid at closing (reflecting a base purchase price of $3,100.0 million, subject to customary purchase price adjustments for, among other things, the cash, working capital, and indebtedness of the companies as of the closing) and up to $200.0 million of additional contingent cash consideration based on Veritas Capital's future return on its investment paid through a Class C Partnership interest.

The Energy business, which was part of our Energy and Specialized Markets segment, was classified as discontinued operations per ASC 205-20 as we determined, qualitatively and quantitatively, that this transaction represented a strategic shift that had a major effect on our operations and financial results. Accordingly, all results of the Energy business have been removed from continuing operations and presented as discontinued operations in our consolidated statements of operations for all periods presented. Additionally, all assets and liabilities of the Energy business were classified as assets and liabilities held for sale within our consolidated balance sheet as of December 31, 2022. In connection with the held for sale classification, we recognized an impairment of $303.7 million on the remeasurement of the disposal group held for sale, which has been included in discontinued operations in our consolidated statement of operations. Upon classification of the Energy business as held for sale, its cumulative foreign currency translation adjustment within shareholders' equity was included with its carrying value, which primarily resulted in the impairment. When we closed on and completed the sale of our Energy business on February 1, 2023, we recognized a loss of $128.4 million. As a result of closing adjustments in the second and fourth quarter of 2023, we incurred an additional net loss of $2.7 million.

***Year Ended December 31, 2024 Compared to Year Ended December 31, 2023***

**Consolidated Results of Continuing Operations**

*Revenues*

Revenues were $2,881.7 million for the year ended December 31, 2024 compared to $2,681.4 million for the year ended December 31, 2023, an increase of $200.3 million or 7.5%. Our underwriting revenue increased $131.6 million or 7.0%. Our claims revenue increased $68.7 million or 8.7%.

Our revenue by category for the periods presented is set forth below:

| | 2024 | 2023 | Percentage change | Percentage change excluding recent acquisitions and disposition |
|---|---|---|---|---|
| | (in millions) | | | |
| Underwriting | $ 2,024.3 | $ 1,892.7 | 7.0% | 7.0% |
| Claims | 857.4 | 788.7 | 8.7% | 7.8% |
| Total Insurance | $ 2,881.7 | $ 2,681.4 | 7.5% | 7.2% |

Our recent acquisitions (Morning Data within the underwriting category of our Insurance segment; Rocket, Mavera and Krug within the claims category of the Insurance segment) and dispositions (AER) within the underwriting category of our Insurance segment) contributed net revenues of $7.4 million, while the remaining Insurance revenues increased $192.9 million or 7.2%. Our underwriting revenue increased $131.9 million or 7.0%, primarily due to an annual increase in prices derived from continued enhancements to the models and content of the solutions within our forms, rules and loss cost services, as well as selling expanded solutions to new and existing customers within extreme event solutions, underwriting data and analytic solutions, and specialty business solutions. Our claims revenue increased $61.0 million or 7.8%, primarily due to growth in anti-fraud solutions and property estimating solutions.

*Cost of Revenues*

Cost of revenues was $901.1 million for the year ended December 31, 2024 compared to $876.5 million for the year ended December 31, 2023, an increase of $24.6 million or 2.8%. Our recent acquisitions and dispositions accounted for an increase of $6.1 million in cost of revenues, which was primarily related to salaries and employee benefits. The remaining cost of revenues increase of $18.5 million or 2.1% was primarily due to increases in salaries and employee benefits of $8.3 million, information technology expense of $6.9 million, data costs of $6.3 million, bad debt expense of $5.6 million, and fees and membership costs of $0.7 million, partially offset by a decrease in rent expense of $3.3 million, a decrease of $2.2 million on the disposal of fixed assets, $1.5 million gain primarily related to our Jersey City lease modification, decreases in office expense of $0.8 million, insurance expense of $0.7 million, professional consulting fees of $0.5 million, and other operating costs of $0.3 million.

*Selling, General and Administrative Expenses*

Selling, general and administrative expenses ("SGA") were $408.7 million for the year ended December 31, 2024 compared to $391.8 million for the year ended December 31, 2023, an increase of $16.9 million or 4.3%. Our recent acquisitions and dispositions accounted for an increase of $22.7 million in SGA. This increase was primarily due to an acquisition-related earn-out credit of $20.0 million in the prior year that did not recur in the current period. The offsetting decrease of $5.8 million or 1.4% was primarily due to a prior year litigation reserve expense of $38.2 million related to our former Financial Services segment, decreases in fees and membership costs of $3.2 million, bad debt expense of $1.1 million, and other operating costs of $1.2 million, partially offset by an increase in professional consulting fees of $15.8 million, salaries and employee benefits of $12.3 million, a $6.5 million loss on the disposal of assets primarily due to a write-off of leasehold improvements related to our lease modification, increases in insurance expense of $2.0 million, and information technology expense of $1.3 million.

*Depreciation and Amortization of Fixed Assets*

Depreciation and amortization of fixed assets was $233.6 million for the year ended December 31, 2024 compared to $206.8 million for the year ended December 31, 2023, an increase of $26.8 million or 13.0%. The increase was primarily due to the timing of certain large internally developed software projects that were completed and placed into service in the prior year, partially offset by a decrease due to our recent disposition of $0.3 million.

*Amortization of Intangible Assets*

Amortization of intangible assets was $72.3 million for the year ended December 31, 2024 compared to $74.6 million for the year ended December 31, 2023, a decrease of $2.3 million or 3.1%. The decrease was primarily due to intangible assets that were fully amortized, partially offset by an increase due to our recent acquisition of $0.3 million.

*Other operating loss (income)*

Other operating loss (income) was $12.1 million for the year ended December 31, 2024 compared to $0.0 million for the year ended December 31, 2023. The loss in the current year was driven by the sale of AER. Please refer to Note 11. Dispositions and Discontinued Operations for more information

*Net gain on Early Extinguishment of Debt*

Net gain on early extinguishment of debt was $3.6 million for the year ended December 31, 2024 due to a cash tender offer of $400.0 million aggregate principal of our 2025 Senior Notes that was completed on June 7, 2024.

*Investment Income (Loss) and Others, Net*

Investment income (loss) and others, net was a gain of $95.7 million for the year ended December 31, 2024 compared to a gain of $11.0 million for the year ended December 31, 2023. The increase was primarily driven by net gains associated with the settlement of retained interests related to the prior sales of our healthcare business in 2016 and our specialized markets business in 2022, partially offset by the impact of foreign currencies.

*Interest Expense, net*

Interest expense, net was $124.6 million for the year ended December 31, 2024 compared to $115.5 million for the year ended December 31, 2023, an increase of $9.1 million or 7.9%. The increase in interest expense was primarily related to the issuance of our 2034 Senior Notes, offset by the cash tender that was completed on June 7, 2024.

*Provision for Income Taxes*

The provision for income taxes was $277.9 million for the year ended December 31, 2024 compared to $258.8 million for the year ended December 31, 2023. The effective tax rate was 22.6% for the year ended December 31, 2024 compared to 25.2% for the year ended December 31, 2023. The decrease in the effective tax rate in 2024 compared to 2023 was primarily due to tax charges incurred in structuring the sale of our Energy business in the prior year, as well as additional tax benefits recorded for capital losses that we were able to recognize due to capital gains arising from the settlement of our investments in non-public companies in the current year.

*Net Income Margin*

The net income margin for our consolidated results was 33.2% for the year ended December 31, 2024 compared to 22.9% for the year ended December 31, 2023. The increase in net income margin was primarily driven by net gains associated with the settlement of retained interests related to the prior sales of our healthcare business in 2016 and our specialized markets business in 2022, the early extinguishment of debt, discussed above, and a prior year litigation reserve expense related to our former Financial Services segment, partially offset by the loss recognized on the sale of AER. The net income margin for December 31, 2023 included a loss from discontinued operations of $154.0 million, which negatively impacted our net income margin by 5.7%.

*EBITDA Margin [1]*

EBITDA was $1,659.1 million for the year ended December 31, 2024 compared to $1,424.1 million for the year ended December 31, 2023. The EBITDA margin for our consolidated results was 57.6% for the year ended December 31, 2024 compared to 53.1% for the year ended December 31, 2023. The increase was primarily driven by strong revenue growth and cost discipline, a prior year litigation reserve expense related to our former Financial Services segment, and net gains associated with the prior sales of our healthcare business in 2016 and our specialized markets business in 2022.

*[1] Note: Consolidated EBITDA margin, a non-GAAP measure, is calculated as a percentage of consolidated revenue. A reconciliation from net income to EBITDA is in the table below:*

| | Year Ended December 31, | |
|---|---|---|
| | **2024** | **2023** |
| Net Income | $ 957.5 | $ 614.4 |
| Less: Gain (loss) from discontinued operations, net of tax benefit (expense) of $6.8 and $(12.6), respectively | 6.8 | (154.0) |
| Income from continuing operations | 950.7 | 768.4 |
| Depreciation and amortization of fixed assets | 233.6 | 206.8 |
| Amortization of intangible assets | 72.3 | 74.6 |
| Interest expense | 124.6 | 115.5 |
| Provision for income taxes | 277.9 | 258.8 |
| EBITDA | 1,659.1 | 1,424.1 |
| Revenue | $ 2,881.7 | $ 2,681.4 |
| EBITDA Margin | 57.6% | 53.1% |

**Energy and Specialized Markets and Financial Segments**

On March 11, 2022, we completed the sale of 3E, which made up the Specialized Markets within this segment. This transaction did not qualify as discontinued operations per the guidance in ASC 205-20. The Energy business within the "Energy and Specialized Markets" segment was classified as discontinued operations per the guidance in ASC 205-20. Accordingly, all results of the Energy business have been removed from continuing operations and presented as discontinued operations in our consolidated statements of operations for all periods presented. On February 1, 2023, we completed the sale of our Energy business.

On April 8, 2022, we completed the sale of Verisk Financial Services, our Financial Services segment, to TransUnion. We did not classify this transaction as a discontinued operation.

As a result of these sale transactions, we have excluded the Energy and Specialized Markets and Financial Services segments from our management's discussion and analysis of the results of operations.

***Year Ended December 31, 2023 Compared to Year Ended December 31, 2022***

**Consolidated Results of Continuing Operations**

*Revenues*

Revenues were $2,681.4 million for the year ended December 31, 2023 compared to $2,497.0 million for the year ended December 31, 2022, an increase of $184.4 million or 7.4%. The growth in our revenues was partially offset by the sale of 3E and our Financial Services segment, both of which did not qualify as discontinued operations and as a result, their prior year revenues of $60.0 million were included in our results. Our recent acquisitions (Morning Data within the underwriting category of our Insurance segment; and Mavera and Krug within the claims category of the Insurance segment) increased net revenues by $32.4 million. The remaining growth in revenues of $212.0 million or 8.7% is related to increased revenues within our Insurance segment. Refer to the Results of Operations by Segment within this section for more information regarding our revenues. Our Specialized Market business was sold in March 2022; and our Energy business, which qualified for discontinued operations in the fourth quarter of 2022, was subsequently sold in February 2023. Our Financial Services segment was sold in April 2022. Our Energy and Specialized Markets and Financial Services segments did not have revenues from continuing operations in 2023.

| | 2023 | 2022 | Percentage change | Percentage change excluding recent acquisitions, businesses held for sale and disposition |
|---|---|---|---|---|
| | (in millions) | | | |
| Insurance | $ 2,681.4 | $ 2,437.0 | 10.0% | 8.7% |
| Specialized Markets | — | 22.4 | (100.0)% | —% |
| Financial Services | — | 37.6 | (100.0)% | —% |
| Total revenues | $ 2,681.4 | $ 2,497.0 | 7.4% | 8.7% |

*Cost of Revenue*

Cost of revenues was $876.5 million for the year ended December 31, 2023 compared to $824.6 million for the year ended December 31, 2022, an increase of $51.9 million or 6.3%. Our recent acquisitions and dispositions accounted for a net decrease of $16.5 million in cost of revenues, which was primarily related to salaries and employee benefits. The cost of revenues increase of $68.4 million or 8.7% was primarily due to increases in salaries and employee benefits of $51.0 million, rent expense of $6.6 million, bad debt expense of $3.8 million, travel expenses of $3.6 million, data costs of $1.8 million, and other operating costs of $3.9 million. These increases were partially offset by decreases in information technology expenses of $2.1 million and professional consulting fees $0.2 million.

*Selling, General and Administrative Expenses*

Selling, general and administrative expenses ("SGA") were $391.8 million for the year ended December 31, 2023 compared to $381.5 million for the year ended December 31, 2022, an increase of $10.3 million or 2.7%. Our recent acquisitions, primarily related to salaries and benefits of $24.5 million, contributed to the increase, offset by our recent dispositions and acquisition-related earn-out costs, which accounted for decreases of $34.1 million and $16.5 million, respectively. The remaining SGA increase of $36.4 million or 10.0% was primarily due to a litigation reserve expense of $38.2 million associated with an indemnification of an ongoing inquiry related to our former Financial Services segment, increases in travel expenses of $3.9 million, professional consulting fees (mostly related to ERP costs) of $3.4 million, information technology expenses of $0.6 million, and other operating costs of $0.9 million, partially offset by a decrease in salaries and employee benefits of $10.6 million.

*Depreciation and Amortization of Fixed Assets*

Depreciation and amortization of fixed assets was $206.8 million for the year ended December 31, 2023 compared to $164.2 million for the year ended December 31, 2022, an increase of $42.6 million or 25.9%. The increase was primarily driven by $44.6 million of depreciation and amortization expense attributed to an increase in assets placed into service to support revenue growth and recent acquisitions of $0.2 million, partially offset by $2.2 million related to recent dispositions. The increase in assets placed into service in 2023 primarily resulted from the timing of certain large internally developed software projects that were completed and placed into service during the year.

*Amortization of Intangible Assets*

Amortization of intangible assets was $74.6 million for the year ended December 31, 2023 compared to $74.4 million for the year ended December 31, 2022, an increase of $0.2 million or 0.3%. The increase was primarily driven by recent acquisitions of $3.7 million, partially offset by our recent dispositions of $3.5 million.

*Other Operating Income*

Other operating income was $0.0 million for the year ended December 31, 2023 compared to $354.2 million for the year ended December 31, 2022. The gain in the prior year was primarily driven by the sale of 3E and Financial Services segment recognized in the prior year.

*Investment Income (Loss) and Others, Net*

Investment income (loss) and others, net was a gain of $11.0 million for the year ended December 31, 2023 compared to a loss of $5.3 million for the year ended December 31, 2022. The increase was primarily due to impact of foreign currencies.

*Interest Expense, net*

Interest expense was $115.5 million for the year ended December 31, 2023 compared to $138.8 million for the year ended December 31, 2022, a decrease of $23.3 million or 16.8%. The decrease in interest expense was primarily due to the paydown in the current year of our outstanding borrowings on our Syndicated Revolving and Bilateral credit facilities, and an increase in interest income of $15.8 million, partially offset by interest expense related to the issuance of our 2033 Senior Notes.

*Provision for Income Taxes*

The provision for income taxes was $258.8 million for the year ended December 31, 2023 compared to $220.3 million for the year ended December 31, 2022. The effective tax rate was 25.2% for the year ended December 31, 2023 compared to 17.5% for the year ended December 31, 2022. The increase in the effective tax rate in 2023 compared to 2022 was primarily due to tax rate benefits in 2022 related to the sale of 3E and a release of a United Kingdom valuation allowance associated with interest expense utilization. In addition, the tax rate for 2023 was higher than the prior year due to tax charges incurred in structuring the Energy sale in the first quarter and the unfavorable impact of the litigation reserve expense, described above, that is anticipated to be mostly non-deductible.

*Net Income Margin*

The net income margin for our consolidated results was 22.9% for the year ended December 31, 2023 compared to 38.2% for the year ended December 31, 2022. The decrease in net income margin was primarily driven by the net gain from dispositions in the prior year, as well as the current year litigation reserve expense described above.

*EBITDA Margin [1]*

The EBITDA margin for our consolidated results was 53.1% for the year ended December 31, 2023 compared to 65.7% for the year ended December 31, 2022. The decrease in EBITDA margin was primarily related to dispositions in the prior year, as well as the current year litigation reserve expense described above.

*[1] Note: Consolidated EBITDA margin, a non-GAAP measure, is calculated as a percentage of consolidated revenue. A reconciliation from net income to EBITDA is in the table below:*

| | Year Ended December 31, | |
|---|---|---|
| | **2023** | **2022** |
| Net Income | $ 614.4 | $ 954.3 |
| Less: (Loss) from discontinued operations, net of tax (expense) benefit of $(12.6) and $131.5, respectively | (154.0) | (87.8) |
| Income from continuing operations | 768.4 | 1,042.1 |
| Depreciation and amortization of fixed assets | 206.8 | 164.2 |
| Amortization of intangible assets | 74.6 | 74.4 |
| Interest expense | 115.5 | 138.8 |
| Provision for income taxes | 258.8 | 220.3 |
| EBITDA | 1,424.1 | 1,639.8 |
| Revenue | $ 2,681.4 | $ 2,497.0 |
| EBITDA Margin | 53.1% | 65.7% |

**Energy and Specialized Markets and Financial Segments**

On March 11, 2022, we completed the sale of 3E, which made up the Specialized Markets within this segment. This transaction did not qualify as discontinued operations per the guidance in ASC 205-20. The Energy business within the "Energy and Specialized Markets" segment was classified as discontinued operations per the guidance in ASC 205-20. Accordingly, all results of the Energy business have been removed from continuing operations and presented as discontinued operations in our consolidated statements of operations for all periods presented. On February 1, 2023, we completed the sale of our Energy business.

On April 8, 2022, we completed the sale of Verisk Financial Services, our Financial Services segment, to TransUnion. We did not classify this transaction as a discontinued operation.

As a result of these sale transactions, we have excluded the Energy and Specialized Markets and Financial Services segments from our management's discussion and analysis of the results of operations.

**Quarterly Results of Operations**

The following table set forth our quarterly unaudited consolidated statement of operations data for each of the eight quarters in the period ended December 31, 2024. In management's opinion, the quarterly data has been prepared on the same basis as the audited consolidated financial statements and includes all adjustments necessary to state fairly the information for the periods presented. Our Energy business is classified as discontinued operations.

| | March 31, | June 30, | September 30, | December 31, |
|---|---|---|---|---|
| | 2024 | | | |
| | (in millions, except for per share data) | | | |
| **Statement of operations data:** | | | | |
| Revenues | $ 704.0 | $ 716.8 | $ 725.3 | $ 735.6 |
| Cost of revenue | 227.8 | 219.4 | 223.4 | 230.5 |
| Operating income | 307.4 | 318.7 | 311.5 | 316.3 |
| Income from continuing operations | 219.4 | 307.8 | 220.0 | 203.5 |
| Net income attributable to Verisk | 219.6 | 308.1 | 220.1 | 210.4 |
| Basic earnings per share: | | | | |
| Income from continuing operations | $ 1.53 | $ 2.16 | $ 1.55 | $ 1.45 |
| Net income attributable to Verisk | $ 1.53 | $ 2.16 | $ 1.55 | $ 1.50 |
| Diluted earnings per share: | | | | |
| Income from continuing operations | $ 1.52 | $ 2.15 | $ 1.54 | $ 1.44 |
| Net income attributable to Verisk | $ 1.52 | $ 2.15 | $ 1.54 | $ 1.49 |

| | March 31, | June 30, | September 30, | December 31, |
|---|---|---|---|---|
| | 2023 | | | |
| | (in millions, except for per share data) | | | |
| **Statement of operations data:** | | | | |
| Revenues | $ 651.6 | $ 675.0 | $ 677.6 | $ 677.2 |
| Cost of revenue | 216.2 | 216.9 | 217.2 | 226.2 |
| Operating income | 294.1 | 306.0 | 281.1 | 250.5 |
| Income from continuing operations | 194.4 | 204.3 | 187.4 | 182.3 |
| Net income attributable to Verisk | 56.3 | 196.9 | 187.4 | 174.0 |
| Basic earnings per share: | | | | |
| Income from continuing operations | $ 1.28 | $ 1.41 | $ 1.29 | $ 1.26 |
| Net income attributable to Verisk | $ 0.37 | $ 1.36 | $ 1.29 | $ 1.20 |
| Diluted earnings per share: | | | | |
| Income from continuing operations | $ 1.27 | $ 1.41 | $ 1.29 | $ 1.25 |
| Net income attributable to Verisk | $ 0.37 | $ 1.35 | $ 1.29 | $ 1.20 |

**Liquidity and Capital Resources**

As of December 31, 2024 and 2023, we had cash and cash equivalents and available-for-sale securities totaling $292.5 million and $303.9 million, respectively. We maintain our cash and cash equivalents in higher credit quality financial institutions in order to limit the amount of credit exposure. As of December 31, 2024 and December 31, 2023, a vast majority of our domestic cash and cash equivalents is with TD Bank, N.A., and JPMorgan Chase N.A. Subscriptions for our solutions are billed and generally paid in advance of rendering services either quarterly or in full upon commencement of the subscription period, which is usually for one year. Subscriptions are automatically renewed at the beginning of each calendar year. We have historically generated significant cash flows from operations. As a result of this factor, as well as the availability of funds under our Credit Facility, we expect that we will have sufficient cash to meet our working capital and capital expenditure needs and to fuel our future growth plans.

We have historically managed the business with a working capital deficit due to the fact that, as described above, we offer our solutions and services primarily through annual subscriptions or long-term contracts, which are generally prepaid quarterly or annually in advance of the services being rendered. When cash is received for prepayment of invoices, we record an asset (cash and cash equivalents) on our balance sheet with the offset recorded as a liability (deferred revenues). This current liability is deferred revenue that does not require a direct cash outflow since our customers have prepaid and are obligated to purchase the services. In most businesses, growth in revenue typically leads to an increase in the accounts receivable balance causing a use of cash as a company grows. Unlike these businesses, our cash position is favorably affected by revenue growth, which results in a source of cash due to our customers prepaying for most of our services.

Our capital expenditures for the years ended December 31, 2024, 2023, and 2022 were $223.9 million, $230.0 million, and $274.7 million, respectively. Expenditures related to developing and enhancing our solutions are predominately related to internal-use software and are capitalized in accordance with ASC 350-40, *Accounting for Costs of Computer Software Developed or Obtained for Internal Use.*

We have historically used a portion of our cash for repurchases of our common stock from our stockholders. For the years ended December 31, 2024, 2023, and 2022, we repurchased $1,005.0 million, $2,762.3 million, and $1,662.5 million, respectively, of our common stock. For the years ended December 31, 2024, 2023, and 2022, we also paid dividends of $221.3 million, $196.8 million, and $195.2 million, respectively.

***Financing and Financing Capacity***

We had total debt, excluding finance lease obligations, unamortized discounts and premium, and debt issuance costs, of $3,050.0 million and $2,850.0 million at December 31, 2024 and 2023, respectively. The debt at December 31, 2024 primarily consists of senior notes issued in 2024, 2023, 2020, 2019, and 2015. Interest on the senior notes is payable semi-annually each year. The unamortized discount and debt issuance costs were recorded as "Long-term debt" in the accompanying consolidated balance sheets, and will be amortized to "Interest expense" in the accompanying consolidated statements of operations within this Form 10-K over the life of the respective senior note. The indenture governing the senior notes restricts our ability to, among other things, create certain liens, enter into sale/leaseback transactions, and consolidate with, sell, lease, convey, or otherwise transfer all or substantially all of our assets, or merge with or into, any other person or entity. We have made, and may from time to time in the future make, optional repayments on our debt obligations, which may include repurchases or exchanges of our outstanding notes, depending on various factors, such as market conditions. Any such repurchases may be effected through privately negotiated transactions, market transactions, tender offers, redemptions or otherwise. See Note 15. Debt for additional information on our financing activities.

We have a $1,000 million Syndicated Credit Facility with Bank of America N.A., HSBC Bank USA, N.A., JP Morgan Chase Bank, N.A., Wells Fargo Bank, National Association, Citibank, N.A., Morgan Stanley Bank, N.A., TD Bank, N.A., Goldman Sachs Bank USA, and the Northern Trust Company with a maturity date of April 5, 2028. Borrowing under the facility is payable at an interest rate of SOFR plus 100.0 to 162.5 basis points, depending on the public debt rating. The financial covenants require that, at the end of any fiscal quarter, we have a consolidated funded debt leverage ratio of less than 3.75 to 1.0. At our election, the maximum consolidated funded debt leverage ratio could be permitted to increase to 4.50 to 1.0 (no more than once) and to 4.25 to 1.0 (no more than once) in connection with the closing of a permitted acquisition. The Syndicated Credit Facility may be used for general corporate purposes, including working capital needs and capital expenditures, acquisitions, dividend payments, and the Repurchase Program. As of December 31, 2024, we were in compliance with all financial and other debt covenants under the Syndicated Credit Facility. As of December 31, 2024 and December 31, 2023, the available capacity under the Syndicated Revolving Credit Facility was $995.4 million, which takes into account outstanding letters of credit of $4.6 million.

***Cash Flow***

The following table summarizes our cash flow data for the years ended December 31:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| | (in millions) | | |
| Net cash provided by operating activities | $ 1,144.0 | $ 1,060.7 | $ 1,059.0 |
| Net cash (used in) provided by investing activities | $ (124.8) | $ 2,746.5 | $ 301.4 |
| Net cash used in financing activities | $ (1,028.5) | $ (3,786.5) | $ (1,330.2) |

*Operating Activities*

Net cash provided by operating activities was $1,144.0 million for the year ended December 31, 2024 compared to $1,060.7 million for the year ended December 31, 2023, an increase of $83.3 million, or 7.9%. The increase in operating cash flow was due to an increase in operating profit, offset by an increase in interest payments.

Net cash provided by operating activities was $1,060.7 million for the year ended December 31, 2023 compared to $1,059.0 million for the year ended December 31, 2022, an increase of $1.7 million, or 0.2%. The increase in net cash provided by operating activities reflects an increase in the operating profit of our Insurance segment and lower tax payments in 2023, offset by the disposition of our Energy business in February 2023. Cash taxes paid in 2022 were higher primarily due to the gain on the sale of 3E.

*Investing Activities*

Net cash used in investing activities of $124.8 million for the year ended December 31, 2024 was primarily related to capital expenditures of $223.9 million and acquisitions, including a purchase of an additional controlling interest totaling $23.4 million, and investments in nonpublic companies of $1.0 million, partially offset by proceeds received upon settlement of our retained interests related to the prior sales of our healthcare business in 2016 and our specialized markets business in 2022 of $113.3 million, proceeds from sale of the AER Company of $6.4 million, and an escrow release associated with acquisitions of $3.8 million.

Net cash provided by investing activities of $2,746.5 million for the year ended December 31, 2023 was primarily related to proceeds from the sale of our Energy business of $3,066.4 million, partially offset by capital expenditures of $230.0 million, and acquisitions, including escrow funding of $87.1 million.

Net cash provided by investing activities of $301.4 million for the year ended December 31, 2022 was primarily related to the $1,073.3 million in proceeds from the sale of 3E and our Financial Services segment, partially offset by acquisitions and purchase of non-controlling interest, including escrow funding associated with these acquisitions, of $451.2 million, capital expenditures of $274.7 million, and investments in nonpublic companies of $46.0 million.

*Financing Activities*

Net cash used in financing activities of $1,028.5 million for the year ended December 31, 2024 was primarily driven by the funding of $1,050.0 million of accelerated share repurchase programs, the payment on the early extinguishment of debt of $396.4 million, dividends paid of $221.3 million, and a payment of excise tax of $25.2 million, partially offset by the proceeds from the issuance of long-term debt, $590.2 million from the proceeds of loan-term debt net of original issuance discount, and proceeds from stock options exercised of $124.8 million.

Net cash used in financing activities of $3,786.5 million for the year ended December 31, 2023 was primarily driven by the funding of $2,799.8 million in share repurchases, repayments of debt under our revolving credit and bilateral credit facilities of $1,265.0 million, and dividend payments of $196.8 million, partially offset by the proceeds from the issuance of our 2033 Senior Notes of $495.2 million, and proceeds from stock options exercised of $141.9 million.

Net cash used in financing activities of $1,330.2 million for the year ended December 31, 2022 was primarily related to repurchases of common stock of $1,662.5 million, repayment of our $350.0 million 4.125% senior notes on September 12, 2022, and dividend payments of $195.2 million, partially offset by proceeds under our Bilateral Term Loan Credit Facility of $125.0 million, proceeds from our Bilateral Revolving Credit Facility of $275.0 million, proceeds, net of repayments of debt under our Syndicated Credit Facility of $380.0 million, and proceeds from stock options exercised of $132.5 million.

***Contractual Obligations***

The following table summarizes our contractual obligations at December 31, 2024 and the future periods in which such obligations are expected to be settled in cash:

| | Payments Due by Period | | | | |
|---|---|---|---|---|---|
| | Total | Less than 1 year | 2-3 years | 4-5 years | More than 5 years |
| | | | (in millions) | | |
| **Contractual obligations** | | | | | |
| Long-term debt, current portion of long-term debt, and interest | $ 4,633.1 | $ 632.4 | $ 244.8 | $ 844.8 | $ 2,911.1 |
| Operating leases | 213.2 | 32.8 | 61.6 | 57.3 | 61.5 |
| Pension and postretirement plans (1) | 11.0 | 1.3 | 2.5 | 2.9 | 4.3 |
| Finance lease obligations | 46.6 | 22.1 | 19.7 | 4.8 | — |
| Total (2) | $ 4,903.9 | $ 688.6 | $ 328.6 | $ 909.8 | $ 2,976.9 |

(1) Our funding policy is to contribute at least equal to the minimum legal funding requirement.

(2) Unrecognized tax benefits of approximately $4.1 million have been recorded as liabilities in accordance with *ASC 740*, *Income Taxes* which have been omitted from the table above, and we are uncertain as to if or when such amounts may be settled, with the exception of those amounts subject to a statute of limitation. Related to the unrecognized tax benefits, we also have recorded a liability for potential penalties and interest of $0.7 million.

***Off-Balance Sheet Arrangements***

We have no off-balance sheet arrangements.

**Critical Accounting Policies and Estimates**

Our management’s discussion and analysis of financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements require management to make estimates and judgments that affect reported amounts of assets and liabilities and related disclosures of contingent assets and liabilities at the dates of the financial statements and revenue and expenses during the reporting periods. These estimates are based on historical experience and on other assumptions that are believed to be reasonable under the circumstances. On an ongoing basis, management evaluates its estimates, including those related to revenue recognition, goodwill and intangible assets, pension and other postretirement benefits, stock-based compensation, and income taxes. Actual results may differ from these assumptions or conditions.

***Stock-Based Compensation***

Stock-based compensation cost, including nonqualified stock options, restricted stock, performance share units tied to the achievement of certain market performance conditions, namely relative total shareholder return as compared to the S&P 500 index ("TSR-based PSU's"), and performance share units tied to the achievement of certain financial performance conditions, namely incremental return on invested capital ("ROIC-based PSUs"), is measured at the grant date, based on the fair value of the awards granted, and is recognized as expense over the requisite service period. The fair value of stock options is measured using a Black-Scholes option-pricing model, which requires the use of several estimates, including expected term, expected risk-free interest rate, expected volatility, and expected dividend yield. The stock options have an exercise price equal to the adjusted closing price of our common stock on the grant date with a ten-year contractual term. The fair value of the restricted stock is determined using the closing price of our common stock on the grant date. The restricted stock is not assignable or transferable until it becomes vested. The fair value of TSR-based PSUs is determined on the grant date using the Monte Carlo Simulation model and their ultimate achievement is based on relative total shareholder return as compared to the companies that compromise the S&P 500 index. The fair value of ROIC-based PSUs is determined on the closing price of our common stock on the grant date and their ultimate achievement is tied to incremental return on invested capital based on net operating profit. Each of the TSR-based PSUs and ROIC-based PSUs has a three-year performance period, subject to the recipients continued service. Each PSU represents the right to receive one share of our common stock and the ultimate realization is based on our achievement of certain market and financial performance criteria and may range from 0% to 200% of the recipients target levels of 100% established on the grant date.

Option grants and restricted stock awards are generally expensed ratably over the four-year vesting period. PSUs are generally expensed ratably over the three-year vesting period. We follow the substantive vesting period approach which requires that stock-based compensation expense be recognized over the period from the date of grant to the date when the award is no longer contingent on the employee providing additional service.

We estimate expected forfeitures of equity awards at the date of grant and recognize compensation expense only for those awards expected to vest. The forfeiture assumption is ultimately adjusted to the actual forfeiture rate.

***Internally Developed Software***

We capitalize certain development costs incurred in connection with internally developed software. These capitalized costs primarily pertain to software hosted by us and accessed by customers. Costs during the initial development stages are expensed as they occur. Once an application reaches the development stage, both internal and external costs are capitalized if they are direct and incremental, until the software is substantially complete and ready for its intended use. Capitalization stops upon completion of all significant testing. Additionally, we capitalize costs associated with specific software upgrades and enhancements when the expenditures result in additional features and functionality. Once in service, internally developed software assets are assessed for recoverability and impairment whenever events or circumstances suggest their carrying amount may not be recoverable. Any impairment, as identified, is calculated as the difference between the asset’s carrying amount and its estimated fair value, using acceptable valuation techniques, including discounted cash flow models, quoted market values, and third-party independent appraisals, as circumstances require.

***Goodwill and Intangibles***

As of December 31, 2024, we had goodwill of $1,726.6 million, which represents 40.5% of our total assets. Goodwill and intangible assets with indefinite lives are subject to impairment testing annually as of June 30, or whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. When evaluating goodwill for impairment, we may decide to first perform a qualitative assessment, or “Step Zero” impairment test, to determine whether it is more likely than not that impairment has occurred. The qualitative assessment includes a review of macroeconomic conditions, industry and market considerations, internal cost factors, and our own overall financial and share price performance, among other factors. If we do not perform a qualitative assessment, or if we determine that it is more likely than not that the carrying amount of our reporting units exceeds their fair value, we perform a quantitative assessment and calculate the estimated fair value of the respective reporting unit. If the carrying amount of a reporting unit’s goodwill exceeds the fair value of that goodwill, an impairment loss is recognized. As of June 30, 2024, we completed our Step Zero impairment test at the reporting unit level and determined it was not more likely than not that the carrying values of our reporting units exceeded their fair values. We did not recognize any additional impairment charges related to our goodwill and indefinite-lived intangible assets. Subsequent to the test performed on June 30, 2024, we continued to monitor these reporting units for events that would trigger an interim impairment test; we did not identify any such events.

We allocate the fair value of the purchase consideration to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values. The excess of the fair value of the purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. The estimates used in valuing the intangible assets are determined with the assistance of third-party specialists, a discounted cash flow analysis and estimates made by management. Management’s estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. During the measurement period, which is not to exceed one year from the acquisition date, we may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded to earnings.

***Pension and Postretirement***

Certain assumptions are used in the determination of our annual net period benefit (credit) cost and the disclosure of the funded status of these plans. The principal assumptions concern the discount rate used to measure the projected benefit obligation and the expected return on plan assets. We revise these assumptions based on an annual evaluation of long-term trends and market conditions that may have an impact on the cost of providing retirement benefits.

In determining the discount rate, we utilize quoted rates from long-term bond indices, and changes in long-term bond rates over the past year, cash flow models and other data sources we consider reasonable based upon the life expectancy and mortality rate of eligible employees. As part of our ev aluation, we calculate the approximate average yields on securities that were selected to match our separate projected cash flows for both the pension and postretirement plans. Our separate benefit plan cash flows are input into actuarial models that include data for corporate bonds rated AA or better at the measurement date. The outputs from the actuarial models are assessed against the prior year’s discount rate and quoted rates for long-term bond indices. For our pension plans at December 31, 2024 , we determined this rate to be 5.64% and 5.37% at December 31, 2024 and 2023 , respectively. Our postretirement rate was 5.17% and 4.75% at December

31, 2024 and 2023 , respectively.

The expected return on plan assets is determined by taking into consideration our analysis of our actual historical investment returns to a broader long-term forecast adjusted based on our target investment allocation, and the current economic environment. Our pension asset investment guidelines target an investment portfolio allocation of 60% debt securities and 40% equity securities. As of December 31, 2024, the pension plan assets were allocated 57.5% debt securities, 36.5% equity securities, 4.9% real estate and 1.1% other. The VEBA Plan target allocation is 100% debt securities. We have used our target investment allocation to derive the expected return as we believe this allocation will be retained on an ongoing basis that will be commensurate with the projected cash flows of the plan. The expected return for each investment category within our target investment allocation is developed using average historical rates of return for each targeted investment category, considering the projected cash flow of the qualified pension plan and postretirement plan. The difference between this expected return and the actual return on plan assets is generally deferred and recognized over subsequent periods through future net periodic benefit (credits) costs. We believe these considerations provide the basis for reasonable assumptions with respect to the expected long-term rate of return on plan assets.

When actual plan experience differs from the assumptions used, actuarial gains or losses arise. We amortize, as a component of annual pension expense, total outstanding actuarial gains or losses over the estimated average expected remaining lifetime of plan participants to the extent that the gain/loss exceeds 10% of the greater of the beginning-of-year projected benefit obligation or the market-related value of plan assets. For our pension and postretirement plans, the total actuarial losses as of December 31, 2024 that have not been recognized in annual expense are $122.6 million and $3.1 million, respectively, and we expect to recognize a net periodic pension and postretirement expenses of $4.2 million and $0.3 million, respectively, in 2025 related to the amortization of actuarial losses.

A one percent change in discount rate and future rate of return on plan assets would have the following effects:

| | Pension | | | | Postretirement | | | |
|---|---|---|---|---|---|---|---|---|
| | 1% Decrease | | 1% Increase | | 1% Decrease | | 1% Increase | |
| | Benefit (Credit) Cost | Projected Benefit Obligation | Benefit (Credit) Cost | Projected Benefit Obligation | Benefit (Credit) Cost | Projected Benefit Obligation | Benefit (Credit) Cost | Projected Benefit Obligation |
| Discount Rate | $ (0.5) | $ 23.8 | $ 0.4 | $ (20.7) | $ - | $ 0.2 | $ - | $ (0.2) |
| Expected Rate of Return on Assets | $ 4.1 | $ - | $ (4.1) | $ - | $ 0.1 | $ - | $ (0.1) | $ - |

***Income Taxes***

In projecting future taxable income, we develop assumptions including the amount of future state, federal and foreign pretax operating income, the reversal of temporary differences, and the implementation of feasible and prudent tax planning strategies. These assumptions require significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates we use to manage the underlying businesses. The calculation of our tax liabilities also involves dealing with uncertainties in the application and evolution of complex tax laws and regulations in other jurisdictions.

We account for uncertain tax positions in accordance with *Accounting for Uncertainty in Income Taxes — an interpretation of ASC 740*, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this interpretation, we may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained upon examination by the taxing authorities, based on the technical merits of the position.

We recognize and adjust our liabilities when our judgment changes as a result of the evaluation of new information not previously available. Due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from our current estimate of the tax liabilities. These differences will be reflected as increases or decreases to income tax expense in the period in which they are determined.

We estimate unrecognized tax positions of $0.9 million that may be recognized by December 31, 2025, due to expiration of statutes of limitations and resolution of audits with taxing authorities, net of additional uncertain tax positions.

As of December 31, 2024, we have gross federal, state, and foreign income tax net operating loss carryforwards of $53.0 million, which will expire at various dates from 2025 through 2044. Such net operating loss carryforwards expire as follows:

| Years Ending | (in millions) |
|---|---|
| 2025 - 2032 | $ 16.1 |
| 2033 - 2037 | 4.6 |
| 2038 - 2044 | 32.3 |
| Total | $ 53.0 |

**Recent Accounting Pronouncements**

For a discussion of recent accounting pronouncements, refer to Note 2(s) to the audited consolidated financial statements included in this annual report on Form 10-K.

## Item 7A. Quantitative and Qualitative Disclosures about Market Risk

***Interest Rate Risk***

We are exposed to market risk from fluctuations in interest rates. As of December 31, 2024, we had no borrowings outstanding under our Credit Facility. Interest on borrowings under the Credit Facility is payable at an interest rate of SOFR plus 100.0 to 162.5 basis points, depending upon our public debt rating. A commitment fee on any unused commitment is payable periodically and may range from 8.0 to 17.5 basis points based upon our public debt rating. A change in interest rates on variable rate debt impacts our pre-tax income and cash flows but does not impact the fair value of the instruments.

***Foreign Currency Risk***

Our foreign-based businesses and results of operations are exposed to movements in the U.S. dollar to British pounds and other foreign currency exchange rates. A portion of our revenue is denominated in British pounds and other foreign currencies. If the U.S. dollar strengthens against British pounds and other foreign currencies, our revenues reported in U.S. dollars would decline. With regard to operating expense, our primary exposure to foreign currency exchange risk relates to operating expense incurred in British pounds and other foreign currencies. If British pounds and other foreign currencies strengthen, costs reported in U.S. dollars will increase. Movements in the U.S. dollar to British pounds and other foreign currency exchange rates did not have a material effect on our revenue for the year ended December 31, 2024. A hypothetical ten percent change in average exchange rates versus the U.S. dollar would not have resulted in a material change to our earnings.

## Item 8. Consolidated Financial Statements and Supplementary Data

The information required by this Item is set forth on pages 53 through 96 of this annual report on Form 10-K.

## Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

## Item 9A. Controls and Procedures

### Evaluation of Disclosure Controls and Procedures

We are required to maintain disclosure controls and procedures (as that term is defined in Rules 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") that are designed to ensure that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives at the reasonable assurance level.

Our management, with the participation of the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this annual report on Form 10-K for our Company and subsidiaries other than our recent acquisition in 2024 (See Note 10 of our consolidated financial statements included in this annual report on Form 10-K). Management excluded from its assessment the internal control over financial reporting of this acquisition because it represents less than 0.1% of total assets (excluding goodwill and intangible assets which were integrated into our systems and control environment) and less than 0.1% of revenues as of and for the year ended December 31, 2024. Based upon the foregoing assessments, our Chief Executive Officer and Chief Financial Officer have concluded that, as of December 31, 2024, our disclosure controls and procedures were effective at the reasonable assurance level.

### Management's Report on Internal Control over Financial Reporting

The information required by this Item is set forth on page 46 of this annual report on Form 10-K.

### Attestation Report of the Registered Public Accounting Firm

The information required by this Item is set forth on page 47 of this annual report on Form 10-K.

### Changes in Internal Control over Financial Reporting

We are in the process of integrating our recent acquisition in 2024 into our overall internal control over financial reporting process. Other than this ongoing integration, there have been no changes in our internal control over financial reporting identified in connection with the evaluation of such internal control that occurred during the fourth quarter of 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with U.S. generally accepted accounting principles. Because of its inherent limitations, a system of internal control over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that internal control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework set forth in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013.

Based on this assessment, management concluded that our internal control over financial reporting was effective at December 31, 2024.

Management excluded from its assessment the internal control over financial reporting for our acquisition in 2024 (See Note 10 of our consolidated financial statements included in this annual report on Form 10-K). The excluded financial statements of this acquisition constitute less than 0.1% of total assets (excluding goodwill and intangible assets which were integrated into our systems and control environment) and less than 0.1% of revenues collectively included within our consolidated financial statements as of and for the year ended December 31, 2024. Due to the timing of the acquisition, management did not assess the effectiveness of internal control over financial reporting for this acquisition.

Deloitte & Touche LLP, the independent registered public accounting firm that audited the consolidated financial statements included in this annual report on Form 10-K has also audited the effectiveness of our internal control over financial reporting as of December 31, 2024, as stated in their report which is included herein.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Verisk Analytics, Inc.

**Opinion on Internal Control over Financial Reporting**

We have audited the internal control over financial reporting of Verisk Analytics, Inc. and subsidiaries (the "Company") as of December 31, 2024, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2024, of the Company and our report dated February 26, 2025, expressed an unqualified opinion on those consolidated financial statements.

As described in *Management's Report on Internal Controls over Financial Reporting*, management excluded from its assessment the internal control over financial reporting at Rocket Enterprise Solutions GmbH ("Rocket"), which was acquired on January 8, 2024. The financial statements of Rocket constitute less than 0.1% of total assets (excluding goodwill and intangible assets which were integrated into the Company's systems and control environment) and less than 0.1% of revenues of the consolidated financial statement amounts as of and for the year ended December 31, 2024. Accordingly, our audit did not include the internal control over financial reporting at Rocket.

**Basis for Opinion**

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Report on Internal Controls over Financial Reporting*. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the 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 effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

**Definition and Limitations of Internal Control over Financial Reporting**

A company's internal control over financial reporting is a process 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Morristown, New Jersey
February 26, 2025

## Item 9B. Other Information

### 10b5-1 Trading Plans

During the fiscal quarter ended December 31, 2024, the following Section 16 officers and directors adopted, modified or terminated a "Rule 10b5-1 trading arrangement" (as defined in Item 408 of Regulation S-K of the Exchange Act):

- Lee M. Shavel, Chief Executive Officer, President and director, adopted a new trading plan on November 25, 2024 (with the first trade under the new plan scheduled for a date on or after March 17, 2025). The trading plan will be effective until December 31, 2025 to sell 8,800 shares of common stock.
- Elizabeth D. Mann, Chief Financial Officer, adopted a new trading plan on December 13, 2024 (with the first trade under the new plan scheduled for a date on or after March 17, 2025). The trading plan will be effective until December 31, 2025 to sell 3,000 shares of common stock.

There were no "non-Rule 10b5-1 trading arrangements" (as defined in Item 408 of Regulation S-K of the Exchange Act) adopted, modified or terminated during the fiscal quarter ended December 31, 2024 by Section 16 officers and directors. Each of the Rule 10b5-1 trading arrangements are in accordance with our Insider Trading Policy and actual sale transactions made pursuant to such trading arrangements will be disclosed publicly in Section 16 filings with the SEC in accordance with applicable securities laws, rules and regulations.

## Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

# PART III

## Item 10. Directors, Executive Officers and Corporate Governance

The information required to be furnished by this Item 10 is incorporated herein by reference to our Notice of Annual Meeting of Stockholders and Proxy Statement to be filed within 120 days of December 31, 2024 (the "Proxy Statement").

### Code of Business Conduct and Ethics

Our Board of Directors has adopted a Code of Business Conduct and Ethics applicable to all officers, directors and employees, which is available on our website (investor.verisk.com) under "Corporate Governance". We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding any amendment to, or waiver from, a provision of our Code of Business Conduct and Ethics by posting such information on the website address and location specified above.

### Insider Trading Policies and Procedures

The Company has insider trading policies and procedures that govern the purchase, sale, and other dispositions of its securities by directors, officers, and employees. We believe these policies and procedures are reasonably designed to promote compliance with insider trading laws, rules and regulations, and applicable listing standards.

## Item 11. Executive Compensation

The information required to be furnished by this Item 11 is incorporated herein by reference to our Proxy Statement.

## Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required to be furnished by this Item 12 is incorporated herein by reference to our Proxy Statement.

## Item 13. Certain Relationships and Related Transactions and Director Independence

The information required to be furnished by this Item 13 is incorporated herein by reference to our Proxy Statement.

## Item 14. Principal Accounting Fees and Services

The information required to be furnished by this Item 14 is incorporated herein by reference to our Proxy Statement.

## PART IV

### Item 15. Exhibits and Financial Statement Schedule

(a) The following documents are filed as part of this report.

(1) Financial Statements. See Index to Financial Statements and Schedules in Part II, Item 8 on this Form 10-K.

(2) Financial Statement Schedule. See Schedule II. Valuation and Qualifying Accounts and Reserves.

(3) Exhibits. See Index to Exhibits in this annual report on Form 10-K.

### Item 16. Form 10-K Summary

None.

**Item 8. Consolidated Financial Statements and Supplementary Data**

## Index to Consolidated Financial Statements and Schedule

**Verisk Analytics, Inc. Consolidated Financial Statements as of December 31, 2024 and 2023 and for the Years Ended December 31, 2024, 2023, and 2022.**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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Stockholders and the Board of Directors of Verisk Analytics, Inc.

**Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of Verisk Analytics, Inc. and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2024, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 26, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

**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 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. 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 Matter**

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates 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 financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

**Fixed Assets - Capitalization of Software Development Costs - Refer to Notes 2 and 9 to the financial statements**

*Critical Audit Matter Description*

As described in Note 2 to the financial statements, the Company's capitalized software development costs primarily relate to internal-use software. Such costs are capitalized in the application development stage in accordance with ASC 350-40, *Internal-use Software*. Costs in the preliminary and post-implementation stages are typically expensed as incurred. Internal software development costs capitalized as of December 31, 2024 was $1,334.8 million and the related accumulated amortization was $837.4 million.

We identified capitalized internal software development costs as a critical audit matter because of the inherent complexity and level of judgment involved in assessing management's determination of qualifying activities during the application development stage for capitalization. This required a high degree of auditor judgment and an increased extent of effort to evaluate the appropriateness of management's decisions regarding which activities qualify for capitalization and when a product reaches the application development stage.

*How the Critical Audit Matter was addressed in the Audit*

Our audit procedures related to the Company's capitalization of internal software development costs included the following, among others:

- We conducted inquiries with management to understand the processes and controls in place for identifying and capitalizing internal software development costs.
- We tested the effectiveness of controls over:
  - The identification and tracking of internal software development costs, including controls related to the authorization and approval of capitalizable costs.
  - The allocation of employee time and other resources to capitalizable projects, ensuring that only eligible costs were capitalized.
- We selected a sample of internal software development costs. For the selected samples, we performed testing to evaluate whether the costs met the capitalization criteria under the relevant accounting standards, including inspecting supporting documentation such as timesheets, invoices, project plans, and conducting inquiries with project managers.
- We assessed the completeness and accuracy of the data used by management in the capitalization process by reconciling the data with source documents, such as payroll records and vendor invoices, and ensuring that all relevant expenses were captured and recorded to validate that no capitalizable costs were omitted.
- We evaluated any indicators of project delays or cancellations by reviewing project status reports, conducting inquiries with project managers, and evaluating the impact of any identified indicators on the capitalization of costs and the determination of the in service date.

/s/ Deloitte & Touche LLP

Morristown, New Jersey
February 26, 2025

We have served as the Company's auditor since 2001.

**VERISK ANALYTICS, INC.**
**CONSOLIDATED BALANCE SHEETS**
**As of December 31, 2024 and 2023**

| | 2024 | 2023 |
|---|---|---|
| | (in millions, except par value and number of shares) | |
| **ASSETS:** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 291.2 | $ 302.7 |
| Accounts receivable, net | 434.4 | 334.2 |
| Prepaid expenses | 72.8 | 84.5 |
| Income taxes receivable | 83.3 | 23.5 |
| Other current assets | 29.9 | 65.2 |
| Total current assets | 911.6 | 810.1 |
| Noncurrent assets: | | |
| Fixed assets, net | 605.9 | 604.9 |
| Operating lease right-of-use assets, net | 156.0 | 191.7 |
| Intangible assets, net | 392.4 | 471.7 |
| Goodwill | 1,726.6 | 1,760.8 |
| Deferred income tax assets | 34.3 | 30.8 |
| Other noncurrent assets | 437.9 | 496.1 |
| Total assets | $ 4,264.7 | $ 4,366.1 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY:** | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | $ 249.8 | $ 340.8 |
| Short-term debt and current portion of long-term debt | 514.2 | 14.5 |
| Deferred revenues | 447.2 | 375.1 |
| Operating lease liabilities | 26.0 | 33.1 |
| Income taxes payable | 1.7 | 7.9 |
| Total current liabilities | 1,238.9 | 771.4 |
| Noncurrent liabilities: | | |
| Long-term debt | 2,546.9 | 2,852.2 |
| Deferred income tax liabilities | 191.6 | 210.1 |
| Operating lease liabilities | 158.7 | 195.6 |
| Other noncurrent liabilities | 23.6 | 14.6 |
| Total liabilities | 4,159.7 | 4,043.9 |
| Commitments and contingencies (Note 21) | | |
| Stockholders' equity: | | |
| Common stock, $.001 par value; 2,000,000,000 shares authorized; 544,003,038 shares issued; 140,414,637 and 143,308,729 shares outstanding, respectively | 0.1 | 0.1 |
| Additional paid-in capital | 2,994.0 | 2,872.3 |
| Treasury stock, at cost, 403,588,401 and 400,694,309 shares, respectively | (10,062.4) | (9,037.5) |
| Retained earnings | 7,153.4 | 6,416.9 |
| Accumulated other comprehensive income | 15.0 | 58.2 |
| Total Verisk stockholders' equity | 100.1 | 310.0 |
| Noncontrolling interests | 4.9 | 12.2 |
| Total stockholders' equity | 105.0 | 322.2 |
| Total liabilities and stockholders' equity | $ 4,264.7 | $ 4,366.1 |

The accompanying notes are an integral part of these consolidated financial statements.

**VERISK ANALYTICS, INC.**
**CONSOLIDATED STATEMENTS OF OPERATIONS**
**For The Years Ended December 31, 2024, 2023, and 2022**

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| | (in millions, except per share amounts and number of shares) | | |
| Revenues | $ 2,881.7 | $ 2,681.4 | $ 2,497.0 |
| Operating expenses: | | | |
| Cost of revenues (exclusive of items shown separately below) | 901.1 | 876.5 | 824.6 |
| Selling, general and administrative | 408.7 | 391.8 | 381.5 |
| Depreciation and amortization of fixed assets | 233.6 | 206.8 | 164.2 |
| Amortization of intangible assets | 72.3 | 74.6 | 74.4 |
| Other operating loss (income) | 12.1 | - | (354.2) |
| Total operating expenses | 1,627.8 | 1,549.7 | 1,090.5 |
| Operating income | 1,253.9 | 1,131.7 | 1,406.5 |
| Other expense: | | | |
| Net gain on early extinguishment of debt | 3.6 | - | - |
| Investment income (loss) and others, net | 95.7 | 11.0 | (5.3) |
| Interest expense, net | (124.6) | (115.5) | (138.8) |
| Total other expense, net | (25.3) | (104.5) | (144.1) |
| Income from continuing operations before income taxes | 1,228.6 | 1,027.2 | 1,262.4 |
| Provision for income taxes | (277.9) | (258.8) | (220.3) |
| Income from continuing operations | 950.7 | 768.4 | 1,042.1 |
| Gain (loss) from discontinued operations, net of tax benefit (expense) of $6.8, $(12.6) and $131.5, respectively (Note 11) | 6.8 | (154.0) | (87.8) |
| Net income | 957.5 | 614.4 | 954.3 |
| Less: Net loss (income) attributable to noncontrolling interests | 0.7 | 0.2 | (0.4) |
| Net income attributable to Verisk | $ 958.2 | $ 614.6 | $ 953.9 |
| Basic net income per share attributable to Verisk: | | | |
| Income from continuing operations | $ 6.69 | $ 5.24 | $ 6.60 |
| Income (loss) from discontinued operations | 0.05 | (1.05) | (0.56) |
| Basic net income per share attributable to Verisk: | $ 6.74 | $ 4.19 | $ 6.04 |
| Diluted net income per share attributable to Verisk: | | | |
| Income from continuing operations | $ 6.66 | $ 5.22 | $ 6.55 |
| Income (loss) from discontinued operations | 0.05 | (1.05) | (0.55) |
| Diluted net income per share attributable to Verisk: | $ 6.71 | $ 4.17 | $ 6.00 |
| Weighted average shares outstanding: | | | |
| Basic | 142,154,655 | 146,623,989 | 157,905,718 |
| Diluted | 142,842,261 | 147,336,159 | 158,928,942 |

The accompanying notes are an integral part of these consolidated financial statements.

**VERISK ANALYTICS, INC.**
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**
**For The Years Ended December 31, 2024, 2023, and 2022**

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| | | (in millions) | |
| Net income | $ 957.5 | $ 614.4 | $ 954.3 |
| Other comprehensive (loss) income, net of tax: | | | |
| Foreign currency translation adjustment | (39.7) | 768.2 | (300.3) |
| Pension and postretirement liability adjustment | (2.6) | 21.8 | (37.7) |
| Total other comprehensive (loss) income | (42.3) | 790.0 | (338.0) |
| Comprehensive income | 915.2 | 1,404.4 | 616.3 |
| Less: Comprehensive (gain) loss attributable to noncontrolling interests | (0.9) | (0.4) | 1.1 |
| Comprehensive income attributable to Verisk | $ 914.3 | $ 1,404.0 | $ 617.4 |

The accompanying notes are an integral part of these consolidated financial statements.

# VERISK ANALYTICS, INC.
## CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS’ EQUITY
## For The Years Ended December 31, 2024, 2023, and 2022

| | Common Stock Issued | Par Value | Additional Paid-in Capital | Treasury Stock | Retained Earnings | Accumulated Other Comprehensive Income (Losses) | Total Verisk Stockholders' Equity | Noncontrolling Interests | Total Stockholders’ Equity |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | (in millions, except for share data) | | | | |
| Balance as of January 1, 2022 | 544,003,038 | $ 0.1 | $ 2,608.7 | $ (4,638.1) | $ 5,240.4 | $ (394.6) | $ 2,816.5 | $ 26.0 | $ 2,842.5 |
| Net income | - | - | - | - | 953.9 | - | 953.9 | 0.4 | 954.3 |
| Other comprehensive loss | - | - | - | - | - | (335.5) | (335.5) | (1.4) | (336.9) |
| Investment in noncontrolling interests | - | - | (0.5) | - | - | (1.1) | (1.6) | (6.6) | (8.2) |
| Common stock dividend (1) | - | - | - | - | (195.2) | - | (195.2) | - | (195.2) |
| Treasury stock acquired (8,600,963 shares) | - | - | - | (1,662.5) | - | - | (1,662.5) | - | (1,662.5) |
| Treasury stock share repurchased not yet settled | - | - | (37.5) | 37.5 | - | - | - | - | - |
| Stock options exercised (1,435,076 shares transferred from treasury stock) | - | - | 111.9 | 20.6 | - | - | 132.5 | - | 132.5 |
| PSUs lapsed (49,803 shares issued from treasury stock) | - | - | (0.6) | 0.6 | - | - | - | - | - |
| RSAs lapsed (122,340 shares transferred from treasury stock) | - | - | (1.7) | 1.7 | - | - | - | - | - |
| Stock-based compensation | - | - | 56.5 | - | - | - | 56.5 | - | 56.5 |
| Net share settlement from PSUs and RSAs (99,977 shares withheld for tax settlement) | - | - | (20.7) | - | - | - | (20.7) | - | (20.7) |
| Other stock issuances (43,241 shares transferred from treasury stock) | - | - | 4.7 | 0.7 | - | - | 5.4 | - | 5.4 |
| Balance as of December 31, 2022 | 544,003,038 | 0.1 | 2,720.8 | (6,239.5) | 5,999.1 | (731.2) | 1,749.3 | 18.4 | 1,767.7 |
| Net income | - | - | - | - | 614.6 | - | 614.6 | (0.2) | 614.4 |
| Other comprehensive income | - | - | - | - | - | 790.0 | 790.0 | 0.6 | 790.6 |
| Investment in noncontrolling interests | - | - | (3.9) | - | - | (0.6) | (4.5) | (6.6) | (11.1) |
| Common stock dividend (1) | - | - | - | - | (196.8) | - | (196.8) | - | (196.8) |
| Treasury stock acquired (12,849,921 shares) | - | - | 37.5 | (2,838.7) | - | - | (2,801.2) | - | (2,801.2) |
| Excise tax associated with share repurchases | - | - | - | (25.2) | - | - | (25.2) | - | (25.2) |
| Treasury stock share repurchased not yet settled | - | - | (37.5) | 37.5 | - | - | - | | - |
| Stock options exercised (1,295,815 shares transferred from treasury stock) | - | - | 115.5 | 25.6 | - | - | 141.1 | - | 141.1 |
| PSUs lapsed (27,771 shares issued from treasury stock) | - | - | (0.4) | 0.4 | - | - | - | - | - |
| RSAs lapsed (106,613 shares transferred from treasury stock) | - | - | (1.7) | 1.7 | - | - | - | - | - |
| Stock-based compensation | - | - | 54.0 | - | - | - | 54.0 | - | 54.0 |
| Net share settlement from PSUs and RSAs (81,536 shares withheld for tax settlement) | - | - | (15.3) | - | - | - | (15.3) | - | (15.3) |
| Other stock issuances (27,315 shares transferred from treasury stock) | - | - | 3.3 | 0.7 | - | - | 4.0 | - | 4.0 |
| Balance as of December 31, 2023 | 544,003,038 | 0.1 | 2,872.3 | (9,037.5) | 6,416.9 | 58.2 | 310.0 | 12.2 | 322.2 |
| Net income | - | - | - | - | 958.2 | - | 958.2 | (0.7) | 957.5 |
| Other comprehensive loss | - | - | - | - | - | (44.3) | (44.3) | 0.9 | (43.4) |
| Investment in noncontrolling interests | - | - | (7.0) | - | - | 1.1 | (5.9) | (7.5) | (13.4) |
| Common stock dividend (1) | - | - | - | - | (221.7) | - | (221.7) | - | (221.7) |
| Treasury stock acquired (3,994,244 shares) | - | - | 37.5 | (1,088.1) | - | - | (1,050.6) | - | (1,050.6) |
| Excise tax associated with share repurchases | - | - | - | (7.6) | - | - | (7.6) | - | (7.6) |
| Treasury stock share repurchased not yet settled | - | - | (45.0) | 45.0 | - | - | - | - | - |
| Stock options exercised (976,351 shares transferred from treasury stock) | - | - | 101.9 | 22.9 | - | - | 124.8 | - | 124.8 |
| PSUs lapsed (27,819 shares issued from treasury stock) | - | - | (0.6) | 0.6 | - | - | - | - | - |
| RSAs lapsed (73,211 shares transferred from treasury stock) | - | - | (1.7) | 1.7 | - | - | - | - | - |
| Stock-based compensation expense | - | - | 47.9 | - | - | - | 47.9 | - | 47.9 |
| Net share settlement from PSUs and RSAs (61,271 shares withheld for tax settlement) | - | - | (14.9) | - | - | - | (14.9) | - | (14.9) |
| Other stock issuances (22,771 shares reissued from treasury stock) | - | - | 3.6 | 0.6 | - | - | 4.2 | - | 4.2 |
| Balance as of December 31, 2024 | 544,003,038 | $ 0.1 | $ 2,994.0 | $ (10,062.4) | $ 7,153.4 | $ 15.0 | $ 100.1 | $ 4.9 | $ 105.0 |

(1) Refer to Note 16. Stockholders' Equity for discussion related to quarterly cash dividends declared per share

The accompanying notes are an integral part of these consolidated financial statements.

**VERISK ANALYTICS, INC.**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**For The Years Ended December 31, 2024, 2023, and 2022**

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| | | (in millions) | |
| Cash flows from operating activities: | | | |
| Net income | $ 957.5 | $ 614.4 | $ 954.3 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization of fixed assets | 233.6 | 206.8 | 197.1 |
| Amortization of intangible assets | 72.3 | 74.6 | 142.9 |
| Amortization of debt issuance costs and original issue discount, net of original issue premium | 2.6 | 1.5 | 1.1 |
| Provision for doubtful accounts | 13.3 | 8.7 | 7.0 |
| Net gain on early extinguishment of debt | (3.6) | — | — |
| Loss (gain) on sale of assets, net | 12.1 | 131.1 | (393.9) |
| Impairment of cost-based investments | 1.7 | 6.5 | — |
| Stock-based compensation expense | 47.9 | 54.0 | 56.5 |
| Net gain upon settlement of investment in non-public companies | (100.6) | — | — |
| Impairment of long-lived assets | 7.6 | — | 377.4 |
| Deferred income taxes | (20.7) | 52.7 | (261.0) |
| Loss on disposal of fixed assets, net | 6.5 | 3.8 | 1.1 |
| Gain on lease modification | (1.9) | — | — |
| Acquisition related liability adjustment | (1.1) | (20.0) | — |
| Changes in assets and liabilities, net of effects from acquisitions: | | | |
| Accounts receivable | (116.6) | (83.0) | (57.7) |
| Prepaid expenses and other assets | 19.4 | (56.9) | (8.4) |
| Operating lease right-of-use assets, net | 28.8 | 26.8 | 46.6 |
| Income taxes | 1.6 | (55.8) | 25.6 |
| Accounts payable and accrued liabilities | (60.8) | 46.5 | (21.2) |
| Deferred revenues | 73.1 | 81.2 | 64.5 |
| Operating lease liabilities | (35.0) | (27.1) | (43.9) |
| Other liabilities | 6.3 | (5.1) | (29.0) |
| Net cash provided by operating activities | 1,144.0 | 1,060.7 | 1,059.0 |
| Cash flows from investing activities: | | | |
| Acquisitions and purchases of controlling interests, net of cash acquired of $1.8, $8.0, and $17.4, respectively | (23.4) | (83.3) | (448.9) |
| Proceeds from sale of businesses | 6.4 | 3,066.4 | 1,073.3 |
| Investments in nonpublic companies | (1.0) | (2.2) | (46.0) |
| Proceeds received upon settlement of investment in non-public companies | 113.3 | — | — |
| Escrow funding associated with acquisitions | 3.8 | (3.8) | (2.3) |
| Capital expenditures | (223.9) | (230.0) | (274.7) |
| Other investing activities, net | — | (0.6) | — |
| Net cash (used in) provided by investing activities | (124.8) | 2,746.5 | 301.4 |

The accompanying notes are an integral part of these consolidated financial statements.

**VERISK ANALYTICS, INC.**
**CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)**
**For The Years Ended December 31, 2024, 2023, and 2022**

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| | | (in millions) | |
| Cash flows from financing activities: | | | |
| (Repayment of) proceeds from short-term debt, net | — | (1,265.0) | 380.0 |
| Repayments of current portion of long-term debt | — | — | (350.0) |
| Proceeds from issuance of long-term debt, inclusive of original issue premium and net of original issue discount | 590.2 | 495.2 | — |
| Proceeds from issuance of short-term debt with original maturities less than three months | — | — | 400.0 |
| Repayment of short-term debt with original maturities greater than three months | — | (125.0) | — |
| Payment of debt issuance costs | (5.3) | (6.0) | — |
| Payment on early extinguishment of debt | (396.4) | — | — |
| Repurchases of common stock | (1,005.0) | (2,762.3) | (1,662.5) |
| Treasury stock repurchased not yet settled | (45.0) | (37.5) | — |
| Payment of excise tax | (25.2) | - | — |
| Net share settlement of taxes from restricted stock and performance share awards | (14.9) | (15.3) | (20.7) |
| Proceeds from stock options exercised | 124.8 | 141.9 | 132.5 |
| Payment of contingent liability related to acquisition | (8.5) | — | — |
| Dividends paid | (221.3) | (196.8) | (195.2) |
| Other financing activities, net | (21.9) | (15.7) | (14.3) |
| Net cash used in financing activities | (1,028.5) | (3,786.5) | (1,330.2) |
| Effect of exchange rate changes | (2.2) | (10.7) | (17.8) |
| (Decrease) increase in cash and cash equivalents | (11.5) | 10.0 | 12.4 |
| Cash and cash equivalents, beginning of period | 302.7 | 292.7 | 280.3 |
| Cash and cash equivalents, end of period | $ 291.2 | $ 302.7 | $ 292.7 |
| Supplemental disclosures: | | | |
| Income taxes paid | $ 287.7 | $ 276.0 | $ 324.5 |
| Interest paid | $ 131.6 | $ 111.2 | $ 134.3 |
| Noncash investing and financing activities: | | | |
| Deferred tax liability established on date of acquisitions | $ 1.4 | $ 8.7 | $ 14.0 |
| Net assets sold as part of the dispositions, net of cash sold | $ 17.3 | $ 3,211.8 | $ - |
| Finance lease additions, net of disposals | $ 28.8 | $ 45.6 | $ 5.2 |
| Operating lease (terminations) additions | $ (4.4) | $ 34.3 | $ 21.7 |
| Fixed assets included in accounts payable and accrued liabilities | $ 0.2 | $ 2.2 | $ 0.2 |

The accompanying notes are an integral part of these consolidated financial statements.

**VERISK ANALYTICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Amounts in millions, except for share and per share data, unless otherwise stated)**

## 1. Organization:

Verisk Analytics, Inc. (the "Company") is a strategic data analytics and technology partner to the global insurance industry. We empower clients to strengthen operating efficiency, improve underwriting and claims outcomes, combat fraud and make informed decisions about global risks, including climate change, extreme events, sustainability, and political issues. Through advanced data analytics, software, scientific research, and deep industry knowledge, we help build global resilience for individuals, communities, and businesses. We trade under the ticker symbol "VRSK" on the Nasdaq Global Select Market.

## 2. Basis of Presentation and Summary of Significant Accounting Policies:

Our accompanying consolidated financial statements have been prepared on the basis of accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Significant estimates include acquisition purchase price allocations, the fair value of goodwill, the realization of deferred tax assets and liabilities, acquisition-related liabilities, fair value of stock-based compensation for equity awards granted, and assets and liabilities for pension and postretirement benefits. Actual results may ultimately differ from those estimates.

On February 1, 2023, we completed the sale of our Energy business. We determined that the sale of our Energy business met the "discontinued operations" criteria in accordance with Financial Accounting Standard Boards ("FASB") Accounting Standards Codification ("ASC") 205-20, *Discontinued Operations* ("ASC 205-20") due to its relative size and strategic rationale. The consolidated balance sheets and consolidated statements of operations, and the notes to the consolidated financial statements were recasted for all periods presented to reflect the discontinuation of the Energy business, in accordance with ASC 205-20. The discussion in the notes to these consolidated financial statements, unless otherwise noted, relate solely to our continuing operations.

Significant accounting policies include the following:

(a) *Intercompany Accounts and Transactions*

The consolidated financial statements include all of our accounts. All intercompany accounts and transactions have been eliminated.

(b) *Revenue Recognition*

The following describes our primary types of revenues and the applicable revenue recognition policies. We recognize revenues through recurring and non-recurring long-term agreements (generally one to five years) for hosted subscriptions, advisory/consulting services, and for transactional solutions. Our revenues are primarily derived from the sale of services where revenue is recognized when or as control of the promised services is transferred to customers in an amount that reflects the consideration that we expect to be entitled to in exchange for those services. Fees for services provided by us are non-refundable. Revenue is recognized net of applicable sales tax withholdings.

*Hosted Subscriptions*

We offer hosted subscriptions, where customers access content only through our online portal (the "Hosted Subscription"). We grant a license to our customer to enter our online portal. The license is a contractual mechanism that allows our customer to access our online portal for a defined period of time. As the license alone does not provide utility to our customer, our customer has no contractual right to take possession of our online portal at any time, and our customer cannot engage another party to host our online portal and related content, it is not considered a functional license under ASC 606, *Revenue from Contracts with Customers* ("ASC 606"). Our promise to our customer is to provide continuous access to our online portal and to update the content throughout the subscription period. Hosted Subscription is a single performance obligation that represents a series of distinct services (daily access to our online portal and related content) that are substantially the same and that have the same pattern of transfer to our customer. We recognize revenue for Hosted Subscriptions ratably over the subscription period on a straight-line basis as services are performed and continuous access to information in our online portal is provided over the entire term of the agreements. Subscriptions are generally paid in advance of rendering services either quarterly or annually upon commencement of the subscription period.

*Advisory/Consulting Services*

We provide certain discrete project based advisory/consulting services, which are recognized over time by measuring the progress toward complete satisfaction of the performance obligation, based on the input method of consulting hours worked; this aligns with the results achieved and value transferred to our customer. The hours consumed are most reflective of the measure of progress towards satisfying the performance obligation, as the resources hours worked directly tie to the progress of the services to be provided. In general, they are billed over the course of the project.

*Transactional Solutions*

Certain solutions are also paid for by customers on a transactional basis. We recognize these revenues as the solutions are delivered or services performed at a point in time. In general, our customers are billed monthly at the end of each month.

(c) *Deferred Revenues*

We invoice our customers in annual, quarterly, monthly, or milestone installments. Amounts billed and/or collected in advance of services being provided are recorded as “Deferred revenues” and “Other noncurrent liabilities” in our accompanying consolidated balance sheets and are recognized as the services are performed, control is transferred to customers, and the applicable revenue recognition criteria is met.

(d) *Accounts Receivable and Allowance for Doubtful Accounts*

Accounts receivable are generally recorded at the invoiced amount. Unbilled receivables are short-term in nature and expected to be billed within one year. The allowance for doubtful accounts or expected credit losses is estimated based on an analysis of the aging of the accounts receivable, historical write-offs, customer payment patterns, individual customer credit worthiness, current economic trends, reasonable and supportable forecasts of future economic conditions, and/or establishment of specific reserves for customers in adverse financial condition. We assess the adequacy of the allowance for doubtful accounts on a quarterly basis.

(e) *Deferred Commissions*

We recognize an asset for the incremental costs of obtaining a contract with a customer if we expect the benefit of those costs to be longer than one year. We have determined that certain sales incentive programs meet the requirements to be capitalized. The incremental costs of obtaining a contract with a customer, which primarily consist of sales commissions, are deferred and amortized over a useful life of five years that is consistent with the transfer to our customer the services to which the asset relates. We classify deferred commissions as current or noncurrent based on the timing of expense recognition. The current and noncurrent portions of deferred commissions are included in "Prepaid expenses" and "Other noncurrent assets", respectively, in our consolidated balance sheets as of December 31, 2024. Amortization expense related to deferred commissions is computed on a straight-line basis over its estimated useful lives and included in "Selling, general and administrative" within our accompanying consolidated statements of operations.

(f) *Fixed Assets and Finite-lived Intangible Assets*

Fixed assets and finite-lived intangibles are stated at cost less accumulated depreciation and amortization, which is computed on a straight-line basis over their estimated useful lives. Leasehold improvements are amortized over the shorter of the useful life of the asset or the lease term.

Our internal software development costs primarily relate to internal-use software. Such costs are capitalized in the application development stage in accordance with ASC 350-40, *Internal-use Software* ("ASC 350-40"). We account for the cost of software developed for internal use by capitalizing qualifying costs, which are substantially incurred during the application development stage. The amounts capitalized primarily relate to internally developed software used to provide services to customers and are included in fixed assets on the Consolidated Balance Sheet. Capitalized software development costs are amortized on a straight-line basis over the estimated useful life of the related product, which is typically three years, beginning with the date the software is placed into service. Costs incurred in the preliminary and post-implementation stages of our products are expensed as incurred.

In accordance with ASC 360, *Property, Plant & Equipment*, whenever events or changes in circumstances indicate that the carrying amount of long-lived assets and finite-lived intangible assets may not be recoverable, we review our long-lived assets and finite-lived intangible assets for impairment by first comparing the carrying value of our assets to the sum of the undiscounted cash flows expected to result from the use and eventual disposition of our assets. If the carrying value exceeds the sum of our assets' undiscounted cash flows, we estimate and recognize an impairment loss by taking the difference between the carrying value and fair value of our assets.

(g) *Leases*

We have operating and finance leases for corporate offices, data centers, and certain equipment that are accounted for under ASC 842, *Leases*. The lease term for our corporate headquarters ends in 2033 and includes the options to extend for one 10-year renewal period and two 5-year renewal periods.

We determine if an arrangement is a lease at inception. We consider any contract where there is an identified asset and that it has the right to control the use of such asset in determining whether the contract contains a lease. A right-of-use ("ROU") asset represents our right to use an underlying asset for the lease term and the lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease ROU assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As our operating leases do not provide an implicit rate, we use an incremental borrowing rate based on the information available on the adoption date in determining the present value of lease payments. The incremental borrowing rate was calculated by using our credit rating on our publicly-traded U.S. unsecured bonds and estimating an appropriate credit rating for similar secured debt instruments. Our calculated credit rating on secured debt instruments determined the yield curve used. We calculated an implied spread and applied the spreads to the risk-free interest rates based on the yield of the U.S. Treasury zero coupon securities with a maturity equal to the remaining lease term in determining the borrowing rates for all operating leases. Our operating lease ROU assets include any lease payments made prior to the rent commencement date and exclude lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Operating lease transactions are included in "Operating lease right-of-use assets, net", and "Operating lease liabilities", current and noncurrent, within our accompanying consolidated balance sheets. Finance leases are included in property and equipment under "Fixed assets, net", "Short-term debt and current portion of long-term debt", and "Long-term debt" within our accompanying consolidated balance sheets.

(h) *Fair Value of Financial and Non-financial Instruments*

We follow the provisions of ASC 820-10, *Fair Value Measurements* ("ASC 820-10"), which defines fair value, establishes a framework for measuring fair value under U.S. GAAP and expands fair value measurement disclosures. We follow the provisions of ASC 820-10 for our financial assets and liabilities recognized or disclosed at fair value on a recurring basis. We follow the provisions of ASC 820-10 for our non-financial assets and liabilities recognized or disclosed at fair value.

(i) *Foreign Currency*

We have determined local currencies are the functional currencies of our foreign operations. The assets and liabilities of foreign subsidiaries are translated at the period-end rate of exchange and statement of operations items are translated at the average rates prevailing during the year. The resulting translation adjustment is recorded as a component of "Accumulated other comprehensive losses" in our accompanying consolidated statements of changes in stockholders' equity.

(j) *Stock-Based Compensation*

We follow ASC 718, *Stock Compensation* ("ASC 718"). Under ASC 718, stock-based compensation cost is measured at the grant date, based on the fair value of the awards granted, and is recognized as expense over the requisite service period.

Our nonqualified stock options have an exercise price equal to the closing price of our common stock on the grant date, with a ten-year contractual term. The expected term for our stock options granted for a majority of the awards granted was estimated based on studies of historical experience and projected exercise behavior. However, for certain awards granted, for which no historical exercise pattern exists, the expected term was estimated using the simplified method. The risk-free interest rate is based on the yield of U.S. Treasury zero coupon securities with a maturity equal to the expected term of the equity award. The volatility factor is calculated using our historical daily closing prices over the most recent period that is commensurate with the expected term of the stock option awards. The expected dividend yield was based on our expected annual dividend rate on the date of grant.

The fair value of our restricted stock is determined using the closing price of our common stock on the grant date. Our restricted stock is not assignable or transferable until it becomes vested. Restricted stock generally has a service vesting period of four years and we recognize the expense ratably over this service vesting period.

Performance share units ("PSU") vest at the end of a three-year performance period, subject to the recipient's continued service. Each PSU represents the right to receive one share of our common stock and the ultimate realization is based on our achievement of certain market performance criteria. We determined the grant date fair value of PSUs with the assistance of a third-party valuation specialist and based on estimates provided by us. The valuation of our PSUs employed the Monte Carlo simulation model, which includes certain key assumptions that were applied to us and our peer group. Those key assumptions included valuation date stock price, expected volatility, correlation coefficients, risk-free rate of return, and expected dividend yield. The valuation date stock price is based on the dividend-adjusted closing price on the grant date. Expected volatility is calculated using historical daily closing prices over a period that is commensurate with the length of the performance period. The correlation coefficients are based on the price data used to calculate the historical volatilities. The risk-free rate of return is based on the yield of U.S. Treasury zero coupon securities with a maturity equal to the length of the performance period. The expected dividend yield was based on our and our peer group's expected dividend rate over the performance period. Some of our PSUs are tied to the achievement of certain market performance conditions, namely relative total shareholder return as compared to the S&P 500 index ("TSR-based PSUs"). Our other PSUs are tied to the achievement of certain financial performance conditions, namely incremental return on invested capital ("ROIC-based PSUs").

We estimate expected forfeitures of equity awards at the date of grant and recognize compensation expense only for those awards expected to vest. The forfeiture assumption is ultimately adjusted to the actual forfeiture rate. Estimated forfeiture is ultimately adjusted to actual forfeiture. Changes in the forfeiture assumptions may impact the total amount of expense ultimately recognized, as well as the timing of expense recognized over the requisite service period.

Excess tax benefit from exercised stock options, lapsing of restricted stock and PSUs is recorded as an income tax benefit in our accompanying consolidated statements of operations. This tax benefit is calculated as the excess of the intrinsic value of options exercised and of the market value of restricted stock lapsed over the compensation recognized for financial reporting purposes.

(k) *Research and Development Costs*

Research and development costs, which are primarily related to personnel and related overhead costs incurred in developing new services for customers, are expensed as incurred. Such costs were $35.3 million, $36.8 million, and $43.1 million for the years ended December 31, 2024, 2023, and 2022, respectively, and were included in our accompanying consolidated statements of operations.

(l) *Advertising Costs*

Advertising costs, which are primarily associated with promoting our brand, names and solutions provided, are expensed as incurred. Such costs were $9.1 million, $11.9 million, and $14.7 million for the years ended December 31, 2024, 2023, and 2022, respectively.

(m) *Income Taxes*

We account for income taxes under the asset and liability method under ASC 740, *Income Taxes* ("ASC 740"), which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

Deferred tax assets are recorded to the extent these assets are more likely than not to be realized. In making such determination, we consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax planning strategies, and recent financial operations. Valuation allowances are recognized to reduce deferred tax assets if it is determined to be more likely than not that all or some of the potential deferred tax assets will not be realized.

We follow ASC 740-10, *Income Taxes* (“ASC 740-10”)*,* which clarifies the accounting for uncertainty in income taxes recognized in the financial statements. ASC 740-10 provides that a tax benefit from an uncertain tax position may be recognized based on the technical merits when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes. Income tax positions must meet a more likely than not recognition threshold in accordance with ASC 740-10. This standard also provides guidance on measurement, derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

We recognize interest and penalties related to unrecognized tax benefits within the income tax expense line in our accompanying consolidated statements of operations. Accrued interest and penalties are included within “Other liabilities” on our accompanying consolidated balance sheets.

(n) *Earnings Per Share*

Basic and diluted earnings per share (“EPS”) are determined in accordance with ASC 260, *Earnings per Share*, which specifies the computation, presentation and disclosure requirements for EPS. Basic EPS excludes all dilutive common stock equivalents. It is based upon the weighted average number of common shares outstanding during the period. Diluted EPS, as calculated using the treasury stock method, reflects the potential dilution that would occur if our dilutive outstanding stock options and stock awards were issued.

(o) *Pension and Postretirement Benefits*

We account for our pension and postretirement benefits under ASC 715, *Compensation — Retirement Benefits* (“ASC 715”). ASC 715 requires the recognition of the funded status of a benefit plan in the balance sheet, the recognition in other comprehensive income (loss) of gains or losses and prior service costs arising during the period, but which are not included as components of periodic benefit cost or credit, and the measurement of defined benefit plan assets and obligations as of the balance sheet date. We utilize a valuation date of December 31.

(p) *Product Warranty Obligations*

We provide warranty coverage for certain of our solutions. We recognize a product warranty obligation when claims are probable and can be reasonably estimated. As of December 31, 2024 and 2023, product warranty obligations were not material.

(q) *Loss Contingencies*

We accrue for costs relating to litigation, claims, and other contingent matters when such liabilities become probable and reasonably estimable. Such estimates are based on management’s judgment. Actual amounts paid may differ from amounts estimated, and such differences will be charged to operations in the period in which the final determination of the liability is made.

In the ordinary course of business, we enter into numerous agreements that contain standard indemnities whereby we indemnify another party for breaches of confidentiality, infringement of intellectual property or gross negligence. Such indemnifications are primarily granted under licensing of computer software. Most agreements contain provisions to limit the maximum potential amount of future payments that we could be required to make under these indemnifications; however, we are not able to develop an estimate of the maximum potential amount of future payments to be made under these indemnifications as the triggering events are not subject to predictability.

(r) *Goodwill and Indefinite-Lived Intangible Assets*

Goodwill represents the excess of acquisition costs over the fair value of tangible net assets and identifiable intangible assets of our businesses acquired. Goodwill and intangible assets deemed to have indefinite lives are not amortized. Intangible assets determined to have finite lives are amortized over their useful lives. Goodwill and intangible assets with indefinite lives are subject to impairment testing annually as of June 30, or whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. When evaluating goodwill for impairment, we may decide to first perform a qualitative assessment, or “Step Zero” impairment test, to determine whether it is more likely than not that impairment has occurred. The qualitative assessment includes a review of macroeconomic conditions, industry and market considerations, internal cost factors, and our own overall financial and share price performance, among other factors. If we do not perform a qualitative assessment, or if we determine that it is more likely than not that the carrying amount of our reporting units exceeds their fair value, we perform a quantitative assessment and calculate the estimated fair value of the respective reporting unit. If the carrying amount of a reporting unit’s goodwill exceeds the fair value of that goodwill, an impairment loss is recognized.

(s) *Recent Accounting Pronouncements*

| Accounting Standard | Description | Effective Date | Effect on Consolidated Financial Statements or Other Significant Matters |
|---|---|---|---|
| *Segment Reporting (Topic 280) In November 2023, the FASB issued Accounting Standards Update "ASU" No. 2023-07, Improvements to Reportable Segment Disclosures ("ASU No. 2023-07")* | This update changes the reportable segment disclosure requirements requiring enhanced disclosures about significant segment expenses. Public entities are required to disclose significant segment expenses that are regularly provided to the chief operating decision maker and to disclose how reported measures of segment profit or loss are used in assessing segment performance and allocating resources. | ASU No. 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. | We adopted this standard within our December 31, 2024 Form 10-K. |
| *ASU 2024-03, Income Statement- Reporting Comprehensive Income- Expense Disaggregation Disclosures (Topic 220)* | Disaggregation of Income Statement Expenses requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement, as well disclosures about selling expenses. | This standard is effective for our annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027, with early adoption permitted. Prospective application is required and retrospective application is permitted. | We are currently evaluating the impact of adopting this ASU on our income statement disaggregation disclosures. |
| *Income Taxes (Topic 740) In December 2023, the FASB issued Accounting Standards Update "ASU" No. 2023-09, Improvements to Income Tax Disclosures (ASU No. 2023-09)* | The amendments within ASU No. 2023-09 address investor requests for more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. This Update also includes certain other amendments to improve the effectiveness of income tax disclosures. | The ASU's amendments are effective for public business entities for fiscal years beginning after December 15, 2024. Early adoption is permitted. | The adoption of this guidance is not expected to have a material impact on our consolidated financial statements. |

## 3. Cash and Cash Equivalents:

Cash and cash equivalents consist of cash in banks, commercial paper, money-market funds, and other liquid instruments with original maturities of 90 days or less at the time of purchase.

## 4. Accounts Receivable:

Accounts receivable, net consisted of the following at December 31:

| | 2024 | 2023 |
|---|---|---|
| Billed receivables | $ 421.4 | $ 317.1 |
| Unbilled receivables | 35.5 | 32.2 |
| Total receivables | 456.9 | 349.3 |
| Less allowance for doubtful accounts | (22.5) | (15.1) |
| Accounts receivable, net | $ 434.4 | $ 334.2 |

## 5. Concentration of Credit Risk:

Financial instruments that potentially expose us to credit risk consist primarily of cash and cash equivalents as well as accounts receivable, net, which are generally not collateralized. We maintain our cash and cash equivalents in higher credit quality financial institutions in order to limit the amount of credit exposure. As of December 31, 2024 and 2023, a vast majority of our domestic cash and cash equivalents is with JPMorgan Chase N.A., and TD Bank, N.A. The total domestic cash balances are insured by the Federal Deposit Insurance Corporation ("FDIC") to a maximum amount of $250.0 thousand per bank as of December 31, 2024 and 2023.

As of December 31, 2024 and 2023, we had cash balances on deposit with five and seven banks that exceeded the balance insured by the FDIC limit by approximately$129.0 million and $171.8 million, respectively. As of December 31, 2024 and 2023, we also had cash on deposit with foreign banks of approximately $161.0 million and $129.2 million, respectively.

We consider the concentration of credit risk associated with our accounts receivable to be commercially reasonable and believe that such concentration does not result in the significant risk of near-term severe adverse impacts. Our top fifty customers represent approximately 43% of revenues for 2024, 45% for 2023, and 41% for 2022, with no individual customer accounting for more than approximately 3% of revenues for the years ended December 31, 2024, 2023, and 2022. No individual customer comprised more than approximately 4% and 5% of accounts receivable as of December 31, 2024 and 2023, respectively.

## 6. Revenues:

Disaggregated revenues by type of service and by country are provided below for the years ended December 31, 2024, 2023, and 2022. No individual country outside of the U.S. accounted for more than 10.0% of our consolidated revenues for the years ended December 31, 2024, 2023, or 2022.

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Insurance: | | | |
| Underwriting | $ 2,024.3 | $ 1,892.7 | $ 1,734.5 |
| Claims | 857.4 | 788.7 | 702.5 |
| Total Insurance | 2,881.7 | 2,681.4 | 2,437.0 |
| Specialized Markets | — | — | 22.4 |
| Financial Services | — | — | 37.6 |
| Total revenues | $ 2,881.7 | $ 2,681.4 | $ 2,497.0 |

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Revenues: | | | |
| United States | $ 2,386.1 | $ 2,238.3 | $ 2,120.1 |
| United Kingdom | 214.4 | 190.1 | 169.5 |
| Other countries | 281.2 | 253.0 | 207.4 |
| Total revenues | $ 2,881.7 | $ 2,681.4 | $ 2,497.0 |

Contract assets are defined as an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time. As of December 31, 2024 and 2023, we had no contract assets.

Contract liabilities are defined as an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer. As of December 31, 2024 and 2023, we had contract liabilities that primarily related to unsatisfied performance obligations to provide customers with the right to use and update the online content over the remaining contract term of $451.1 million and $375.1 million, respectively. Contract liabilities, which are current and noncurrent, are included in "Deferred revenues" and "Other noncurrent liabilities" in our consolidated balance sheets, respectively, as of December 31, 2024 and 2023.

The following is a summary of the change in contract liabilities from December 31, 2023 through December 31, 2024:

| | | |
|---|---|---|
| Contract Liabilities at December 31, 2022 | $ | 321.7 |
| Revenue | | (2,681.4) |
| Additions to contract liabilities | | 2,737.8 |
| Foreign currency translation adjustment | | (3.0) |
| Contract Liabilities at December 31, 2023 | | 375.1 |
| Revenue | | (2,881.7) |
| Additions to contract liabilities | | 2,956.9 |
| Foreign currency translation adjustment | | 0.8 |
| Contract Liabilities at December 31, 2024 | $ | 451.1 |

Our most significant remaining performance obligations relate to providing customers with the right to use and update the online content over the remaining contract term. Our disclosure of the timing for satisfying the performance obligation is based on the requirements of contracts with customers. However, from time to time, these contracts may be subject to modifications, impacting the timing of satisfying the performance obligations. These performance obligations, which are expected to be satisfied within one year, comprised approximately 98% and 99% of the balance as of December 31, 2024 and 2023, respectively.

We recognize an asset for incremental costs of obtaining a contract with a customer if we expect the benefits of those costs to be longer than one year. As of December 31, 2024 and 2023, we had deferred commissions of $78.5 million and $76.4 million, respectively, which have been included in "Prepaid expenses" and "Other noncurrent assets" in our accompanying consolidated balance sheets.

## 7. Fair Value Measurements:

Certain assets and liabilities are reported at fair value in our accompanying consolidated balance sheets. Such assets and liabilities include amounts for both financial and non-financial instruments. To increase consistency and comparability of assets and liabilities recorded at fair value, ASC 820-10 established a three-level fair value hierarchy to prioritize the inputs to valuation techniques used to measure fair value. ASC 820-10 requires disclosures detailing the extent to which companies' measure assets and liabilities at fair value, the methods and assumptions used to measure fair value, and the effect of fair value measurements on earnings. In accordance with ASC 820-10, we applied the following fair value hierarchy:

Level 1 — Assets or liabilities for which the identical item is traded on an active exchange, such as publicly-traded instruments.

Level 2 — Assets and liabilities valued based on observable market data for similar instruments.

Level 3 — Assets or liabilities for which significant valuation assumptions are not readily observable in the market; instruments valued based on the best available data, some of which is internally-developed, and considers risk premiums that a market participant would require.

The fair value of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and short-term debt approximate their carrying amounts because of the short-term nature of these instruments. Our investments in registered investment companies, which are Level 1 assets measured at fair value on a recurring basis using quoted prices in active markets multiplied by the number of shares owned, were $1.2 million as of December 31, 2024 and 2023. Our investments in registered investment companies have been included in "Other current assets" in our consolidated balance sheets as of December 31, 2024 and 2023.

We elected not to carry our long-term debt at fair value. The carrying value of our long-term debt represents the amortized cost, inclusive of unamortized premium, and net of unamortized discount and debt issuance costs. We assess the fair value of these financial instruments based on an estimate of interest rates available to us for financial instruments with similar features, our current credit rating, and spreads applicable to us. The following table summarizes the carrying value and estimated fair value of these financial instruments as of December 31, 2024 and 2023, respectively:

| | | 2024 | | 2023 | |
|---|---|---|---|---|---|
| | Fair Value Hierarchy | Carrying Value | Estimated Fair Value | Carrying Value | Estimated Fair Value |
| Financial instrument not carried at fair value: | | | | | |
| Senior Notes (Note 15) | Level 2 | $ 3,021.0 | $ 2,866.5 | $ 2,833.7 | $ 2,735.3 |

As of December 31, 2024 and 2023, we had securities without readily determinable market values of $195.3 million and $200.9 million, respectively, which were accounted for at cost. We do not have the ability to exercise significant influence over the investees' operating and financial policies or do not hold investments in common stock or in-substance common stock in such entities. As of December 31, 2024 and 2023, we also had investments in private companies of $27.0 million and $30.5 million, respectively, accounted for in accordance with ASC 323-10-25, *The Equity Method of Accounting for Investments in Common Stock* ("ASC 323-10-25") as equity method investments. All such investments were included in "Other noncurrent assets" in our accompanying consolidated balance sheets. For the years ended December 31, 2024 and 2023, there was no provision for credit losses related to these investments. During the year ended December 31, 2024, we settled retained interests in non-public companies associated with previously disposed businesses and received proceeds of $112.1 million, resulting in a net gain of $100.6 million. The net gain was included in "Investment gain (loss)" in our accompanying condensed consolidated statements of operations.

**8. Leases:**

We have operating and finance leases for corporate offices, data centers, and certain equipment that are accounted for under ASC 842. The lease term for our corporate headquarters ends in 2033 and includes the options to extend for one 10-year renewal period and two 5-year renewal periods. Extension and termination options are considered in the calculation of our ROU assets and lease liabilities when we determine it is reasonably certain that we will exercise those options.

The following table presents the consolidated lease cost and cash paid for amounts included in the measurement of lease liabilities for finance and operating leases for the years ended December 31, 2024 and 2023:

| | 2024 | 2023 |
|---|---|---|
| Lease cost: | | |
| Operating lease cost (1) | $ 32.7 | $ 33.9 |
| Sublease income | (4.0) | (1.7) |
| Finance lease cost | | |
| Depreciation of finance lease assets (2) | 19.4 | 14.4 |
| Interest on finance lease liabilities (3) | 2.3 | 1.0 |
| Total lease cost | $ 50.4 | $ 47.6 |
| Other information: | | |
| Cash paid for amounts included in the measurement of lease liabilities | | |
| Operating cash outflows from operating leases | $ (34.5) | $ (34.9) |
| Operating cash outflows from finance leases | $ (2.3) | $ (1.0) |
| Financing cash outflows from finance leases | $ (21.9) | $ (15.7) |

(1) Included in "Cost of revenues" and "Selling, general and, administrative" expenses in our accompanying consolidated statements of operations
(2) Included in "Depreciation and amortization of fixed assets" in our accompanying consolidated statements of operations
(3) Included in "Interest expense" in our accompanying consolidated statements of operations

The following table presents weighted-average remaining lease terms and weighted-average discount rates for the consolidated finance and operating leases for the years ended December 31, 2024 and 2023:

| | 2024 | 2023 |
|---|---|---|
| Weighted-average remaining lease term - operating leases (in years) | 7.0 | 8.2 |
| Weighted-average remaining lease term - finance leases (in years) | 3.0 | 3.1 |
| Weighted-average discount rate - operating leases | 4.2% | 4.0% |
| Weighted-average discount rate - finance leases | 4.2% | 4.2% |

Our ROU assets and lease liabilities for finance leases were $47.7 million and $41.4 million, respectively, as of December 31, 2024. Our ROU assets and lease liabilities for finance leases were $41.2 million and $34.5 million, respectively, as of December 31, 2023. Our ROU assets for finance leases were included in "Fixed assets, net" in our accompanying consolidated balance sheets. Our lease liabilities for finance leases were included in the "Short-term debt and current portion of long-term debt" and "Long-term debt" in our accompanying consolidated balance sheets (See Note 15. Debt).

On August 16, 2024, we early vacated two floors within our Jersey City office. This transaction was accounted for as a lease modification in accordance with ASC 842. As a result of the lease modification, we reassessed the accounting for the Jersey City lease, resulting in a reduction of ROU assets and lease liabilities of $11.7 million and $13.6 million, respectively, and recognition of a gain of $1.9 million. Additionally, we recorded an impairment of $7.6 million of the remaining net book value of leasehold improvements.

Maturities of the continuing lease liabilities for the years through 2030 and thereafter are as follows:

| Years Ending | Operating Leases | Finance Leases |
|---|---|---|
| 2025 | $ 32.8 | $ 22.1 |
| 2026 | 31.1 | 10.7 |
| 2027 | 30.5 | 9.0 |
| 2028 | 29.3 | 4.8 |
| 2029 | 28.0 | - |
| 2030 and thereafter | 61.5 | - |
| Total lease payments | 213.2 | 46.6 |
| Less: Amount representing interest | (28.5) | (5.2) |
| Present value of total lease payments | $ 184.7 | $ 41.4 |

## 9. Fixed Assets

The following is a summary of fixed assets:

| | Useful Life (in years) | Cost | Accumulated Depreciation and Amortization | Net |
|---|---|---|---|---|
| **December 31, 2024** | | | | |
| Furniture and office equipment | 3 - 10 | $ 164.2 | $ (144.8) | $ 19.4 |
| Leasehold improvements | Lease term | 101.4 | (62.3) | 39.1 |
| Purchased software | 3 | 58.2 | (55.6) | 2.6 |
| Software development costs | 3 | 1,334.8 | (837.4) | 497.4 |
| Leased equipment | 3 - 4 | 125.0 | (77.6) | 47.4 |
| Total fixed assets | | $ 1,783.6 | $ (1,177.7) | $ 605.9 |
| **December 31, 2023** | | | | |
| Furniture and office equipment | 3 - 10 | $ 178.5 | $ (156.7) | $ 21.8 |
| Leasehold improvements | Lease term | 116.5 | (63.0) | 53.5 |
| Purchased software | 3 | 59.9 | (55.2) | 4.7 |
| Software development costs | 3 | 1,136.6 | (653.0) | 483.6 |
| Leased equipment | 3 - 4 | 105.1 | (63.8) | 41.3 |
| Total fixed assets | | $ 1,596.6 | $ (991.7) | $ 604.9 |

Depreciation and amortization of fixed assets for the years ended December 31, 2024, 2023, and 2022 were $233.6 million, $206.8 million, and $164.2 million, of which $193.5 million, $165.5 million, and $116.6 million related to amortization of internal-use software development costs, respectively. Amortization expense related to development of software for sale was $1.2 million, $4.8 million, and $7.6 million for the years ended December 31, 2024, 2023, and 2022, respectively. We had unamortized software development costs that had been capitalized in accordance with ASC 350-40 of $497.4 million and $482.4 million as of December 31, 2024 and 2023, respectively. We had unamortized software development costs that had been capitalized for development of software for sale of $0.0 million and $1.2 million as of December 31, 2024 and 2023, respectively. Leased assets include amounts held under finance leases for automobiles, computer software, and computer equipment.

Impairments to long-lived assets for the twelve months ended December 31, 2024 and 2023 were $7.6 million and $0.0 million, respectively, and are included within "Other operating (income) loss, net" in our consolidated statements of operations. During August 2024, we early vacated two floors at our Jersey City, New Jersey, corporate headquarters. As a result, we assessed the related long-lived assets at the site for impairment and recognized $7.6 million of impairment charges, primarily related to the write-off of the remaining net book value of leasehold improvements.

## 10. Acquisitions

*2024 Acquisitions*

On January 8, 2024, we completed the acquisition of 100 percent of Rocket Enterprise Solutions GmbH ("Rocket") for a net cash purchase price of $10.1 million, of which $2.2 million represents a deferred payment and $0.3 million represents a holdback payment. The majority of the purchase price was allocated to goodwill as we did not incur any material liabilities. Rocket's strong property claims and underwriting technology has been widely adopted by many of the largest insurers and service providers across Germany and Austria. Rocket has become a part of our claims category. The acquisition, which follows a strategic investment by Verisk in Rocket in 2022, will further Verisk's expansion in Europe and the Company's goal of helping insurers and claims service providers leverage more holistic data and technology tools to enhance the claims experience.

The preliminary allocations of the purchase price for the 2024 acquisition with less than a year of ownership is subject to revisions as additional information is obtained about the facts and circumstances that existed as of the acquisition date. The revisions may have a significant impact on our consolidated financial statements. The allocations of the purchase price will be finalized once all the information that was known as of the acquisition date is obtained and analyzed, but not to exceed one year from the acquisition date. The primary areas of the purchase price allocation that are not yet finalized relate to income and non-income taxes, deferred revenues, the valuation of intangible assets acquired, and residual goodwill. The goodwill associated with our acquisition includes the acquired assembled workforce, the value associated with the opportunity to leverage the work force to continue to develop the technology and content assets, as well as our ability to grow through adding additional customer relationships or new solutions in the future. The $10.6 million in goodwill associated with our acquisition is not deductible for tax purposes. The preliminary amounts assigned to intangible assets by type for this acquisition was based upon our valuation model and historical experiences with entities with similar business characteristics.

For the year ended December 31, 2024, we incurred transaction costs of $0.3 million. The transaction costs were included within "Selling, general and administrative" expenses in our accompanying condensed consolidated statements of operations.

Our 2024 acquisition was not significant to our consolidated financial statements for the years ended December 31, 2024, 2023, and 2022, and therefore, supplemental information disclosure on an unaudited pro forma basis is not presented.

*2023 Acquisitions*

On April 20, 2023, we acquired Krug Sachverständigen GmbH ("Krug") for a net cash purchase price of approximately $43.3 million including working capital adjustments, of which $3.8 million represents indemnity escrows. Krug is a Germany-based motor claims solutions provider and has established an industry-leading position in the German insurance market through highly digitalized solutions that help insurers and car manufacturers achieve better and faster customer service, leading to sustainable reductions in costs. The acquisition expands our claims and casualty offerings across Europe. Krug has become a part of our claims category within our Insurance segment.

On February 1, 2023, we acquired 100 percent of the stock of Mavera Holding AB ("Mavera") for a net cash purchase price of $28.3 million, of which $4.2 million represents indemnity escrows. Mavera, a Sweden-based InsurTech firm with a regional presence and established customer base for its personal injury claims management platform, has become a part of the claims category within our Insurance segment. Mavera will support our expansion in continental Europe and our continued growth as a technology and analytics partner to the global insurance industry.

The "Other" column includes other immaterial acquisitions that have occurred during the period. The preliminary purchase price allocation of the 2023 acquisitions resulted in the following:

| | Krug | Other | Total |
|---|---|---|---|
| Cash and cash equivalents | $ 7.0 | $ 1.0 | $ 8.0 |
| Accounts receivable | 1.8 | 0.8 | 2.6 |
| Other current assets | 3.8 | 0.1 | 3.9 |
| Fixed assets | 0.2 | 0.1 | 0.3 |
| Operating lease right-of-use assets, net | — | 0.2 | 0.2 |
| Intangible assets | 15.1 | 18.4 | 33.5 |
| Goodwill | 33.1 | 22.8 | 55.9 |
| Total assets acquired | 61.0 | 43.4 | 104.4 |
| Accounts payable and accrued liabilities | 5.8 | 2.1 | 7.9 |
| Operating lease liabilities | — | 0.1 | 0.1 |
| Deferred income tax, net | 4.8 | 3.9 | 8.7 |
| Other noncurrent liabilities | 0.1 | 1.4 | 1.5 |
| Total liabilities assumed | 10.7 | 7.5 | 18.2 |
| Net assets acquired | 50.3 | 35.9 | 86.2 |
| Less: cash acquired | 7.0 | 1.0 | 8.0 |
| Net cash purchase price | $ 43.3 | $ 34.9 | $ 78.2 |

The final amounts assigned to intangible assets by type for our 2023 acquisitions are summarized in the table below:

| | Weighted Average Useful Life (in years) | Total |
|---|---|---|
| Technology-based | 5 | $ 9.9 |
| Marketing-related | 2 | 0.5 |
| Customer-related | 13 | 23.1 |
| Total intangible assets | | $ 33.5 |

For the year ended December 31, 2024, we finalized the purchase accounting for our 2023 acquisitions during the measurement periods in accordance with ASC 805, *Business Combinations* ("ASC 805"). The impact of finalization of the purchase accounting associated with these acquisitions was not material to our accompanying consolidated financial statements for the years ended December 31, 2024 and 2023.

The $55.9 million in goodwill associated with our acquisitions is not deductible for tax purposes. The preliminary amounts assigned to intangible assets by type for these acquisitions were based upon our valuation model and historical experiences with entities with similar business characteristics. For the year ended December 31, 2023, we incurred transaction costs of $2.5 million. The transaction costs were included within "Selling, general and administrative" expenses in our accompanying consolidated statements of operations.

Our 2023 acquisitions were not significant, both individually and in the aggregate, to our consolidated financial statements for the years ended December 31, 2023 and 2022, and therefore, supplemental information disclosure on an unaudited pro forma basis is not presented.

*2022 Acquisitions*

On March 1, 2022, we acquired 100 percent of the stock of Opta Information Intelligence Corp. ("Opta") for a net cash purchase price of $217.5 million excluding working capital adjustments, of which $0.8 million represents indemnity escrows. Opta, a leading provider of property intelligence and innovative technology solutions in Canada, has become a part of the underwriting category within our Insurance segment. We believe this acquisition further expands our footprint in the Canadian market and supports Verisk in reshaping risk management with valuable business intelligence.

On February 11, 2022, we acquired 100 percent of the membership interest of Infutor Data Solutions, LLC ("Infutor") for a net cash purchase price of $220.7 million excluding working capital adjustments, of which $1.5 million represents a working capital escrow, plus a contingent earn-out payment of up to $25.0 million subject to the achievement of certain revenue and other performance targets. Infutor, a leading provider of identity resolution and consumer intelligence data, has become a part of the underwriting category within our Insurance segment. We believe this acquisition further enhances Verisk's marketing solutions offerings to companies across several industries, including the insurance industry.

The final purchase price allocations, inclusive of closing adjustments, of our 2022 acquisitions resulted in the following:

| | Opta | Infutor | Others | Total |
|---|---|---|---|---|
| Cash and cash equivalents | $ 0.4 | $ 17.0 | $ - | $ 17.4 |
| Accounts receivable | 5.2 | 10.7 | - | 15.9 |
| Other current assets | 1.3 | 3.8 | 0.1 | 5.2 |
| Fixed assets | 1.5 | 0.9 | 0.3 | 2.7 |
| Operating lease right-of-use assets, net | 1.1 | 2.3 | - | 3.4 |
| Intangible assets | 87.0 | 83.4 | 2.3 | 172.7 |
| Goodwill | 141.1 | 140.3 | 3.0 | 284.4 |
| Other assets | - | 0.1 | - | 0.1 |
| Total assets acquired | 237.6 | 258.5 | 5.7 | 501.8 |
| Current liabilities | 4.9 | 14.4 | 0.1 | 19.4 |
| Deferred revenues | 0.2 | 3.1 | 0.1 | 3.4 |
| Operating lease liabilities | 1.1 | 3.3 | - | 4.4 |
| Deferred income tax, net | 13.5 | - | 0.5 | 14.0 |
| Other liabilities | - | - | 0.2 | 0.2 |
| Total liabilities assumed | 19.7 | 20.8 | 0.9 | 41.4 |
| Net assets acquired | 217.9 | 237.7 | 4.8 | 460.4 |
| Cash acquired | 0.4 | 17.0 | — | 17.4 |
| Net cash purchase price | $ 217.5 | $ 220.7 | $ 4.8 | $ 443.0 |

The final amounts assigned to intangible assets by type for our 2022 acquisitions are summarized in the table below:

| | Weighted Average Useful Life (in years) | Total |
|---|---|---|
| Technology-based | 6 | $ 48.5 |
| Marketing-related | 4 | 2.0 |
| Customer-related | 13 | 122.2 |
| Total intangible assets | | $ 172.7 |

For the year ende d December 31, 2023, we finalized the purchase accounting for our 2022 acquisitions during the measurement periods in accordance with ASC 805, *Business Combinations* ("ASC 805"). The impact of finalization of the purchase accounting associated with these acquisitions was not material to our accompanying consolidated financial statements for the years ended December 31, 2023 and 2022.

Of the $284.4 million in goodwill associated with our acquisitions, $144.5 million is not deductible for tax purposes. The preliminary amounts assigned to intangible assets by type for these acquisitions were based upon our valuation model and historical experiences with entities with similar business characteristics. For the year ended December 31, 2022, we incurred transaction costs related to acquisitions of $1.8 million, which are included within "Selling, general and administrative" expenses in our accompanying consolidated statements of operations.

Our 2022 acquisitions were not significant, both individually and in the aggregate, to our consolidated financial statements for the years ended December 31, 2022, and therefore, supplemental information disclosure on an unaudited pro forma basis is not presented.

*Acquisition Escrowsand Related Liabilities*

Pursuant to the related acquisition agreements, we have funded various escrow accounts to satisfy pre-acquisition indemnity and tax claims arising subsequent to the acquisition dates, as well as a portion of the contingent payment. During the years ended December 31, 2024 and 2023, we released $3.8 million and $0.0 million of indemnity escrows related to various acquisitions. At December 31, 2024 and 2023, the current portion of the escrows amounted to $0.0 million and $3.9 million. There were no noncurrent portions of the escrows. The current and noncurrent portions of the escrows have been included in "Other current assets" and "Other noncurrent assets" in our accompanying consolidated balance sheets, respectively.

As of December 31, 2024, the acquisition of Krug Sachverständigen GmbH ('Krug'), Mavera Holding AB ('Mavera'), and Morning Data Limited ('Morning Data') included acquisition-related contingent payments, for which the sellers of these acquisitions could receive additional payments by achieving the specific predetermined revenue, EBITDA, and/or EBITDA margin earn-out targets for exceptional performance. We believe that the liabilities recorded as of December 31, 2024 and 2023 reflect the best estimate of acquisition-related contingent payments. The associated current portion of contingent payments was $0.0 million and $10.0 million as of December 31, 2024 and 2023, respectively. The associated noncurrent portion of contingent payments was $2.2 million and $2.1 million as of December 31, 2024 and 2023, respectively.

## 11. Dispositions and Discontinued Operations:

*Dispositions*

In December 2024, we sold Atmospheric and Environmental Research ("AER.") for $7.1 million. The sale resulted in a loss of $12.1 million that was included within "Other operating (loss) income" in the accompanying consolidated statements of operations for the year ended December 31, 2024.

*Discontinued Operations*

On February 1, 2023, we completed the sale of our Energy business to Planet Jersey Buyer Ltd, an entity that was formed on behalf of, and is controlled by, The Veritas Capital Fund VIII, L.P. and its affiliated funds and entities (“Veritas Capital”), for a net cash sale price of $3,066.4 million paid at closing (reflecting a base purchase price of $3,100.0 million, subject to customary purchase price adjustments for, among other things, the cash, working capital, and indebtedness of the companies as of the closing) and up to $200.0 million of additional contingent cash consideration based on Veritas Capital’s future return on its investment paid through a Class C Partnership interest.

The Energy business, which was part of our Energy and Specialized Markets segment, was classified as discontinued operations per ASC 205-20 as we determined, qualitatively and quantitatively, that this transaction represented a strategic shift that had a major effect on our operations and financial results. Accordingly, all results of the Energy business have been removed from continuing operations and presented as discontinued operations in our consolidated statements of operations for all periods presented. Additionally, all assets and liabilities of the Energy business were classified as assets and liabilities held for sale within our consolidated balance sheet as of December 31, 2022. In connection with the held for sale classification, we recognized an impairment of $303.7 million on the remeasurement of the disposal group held for sale, which has been included in discontinued operations in our consolidated statement of operations. Upon classification of the Energy business as held for sale, its cumulative foreign currency translation adjustment within shareholders’ equity was included with its carrying value, which primarily resulted in the impairment. When we closed on the sale of our Energy business on February 1, 2023, we recognized a loss of $128.4 million. As a result of closing adjustments in the second and fourth quarter of 2023, we incurred an additional net loss of $2.7 million.

The following table presents the financial results from discontinued operations, net of income taxes in our consolidated statement of income for the periods indicated:

| | For the Year Ended December 31, | | |
|---|---|---|---|
| | 2024 | 2023 | 2022 |
| Revenues | $ - | $ 46.8 | $ 537.3 |
| Operating expenses: | | | |
| Cost of revenues (exclusive of items shown separately below) | - | 18.2 | 207.4 |
| Selling, general and administrative | - | 33.2 | 117.2 |
| Depreciation and amortization of fixed assets | - | - | 32.9 |
| Amortization of intangible assets | - | - | 68.5 |
| Impairment loss | - | - | 303.7 |
| Other operating loss | - | 131.1 | 33.9 |
| Total operating expenses | - | 182.5 | 763.6 |
| Operating (loss) income | - | (135.7) | (226.3) |
| Other (expense) income: | | | |
| Investment (loss) income and others, net | - | (5.7) | 7.0 |
| Total other (expense) income, net | - | (5.7) | 7.0 |
| Loss from discontinued operations before income taxes | - | (141.4) | (219.3) |
| Income tax benefit (expense) | 6.8 | (12.6) | 131.5 |
| Income (loss) from discontinued operations, net of income taxes | $ 6.8 | $ (154.0) | $ (87.8) |

The consolidated statements of cash flows have not been adjusted to separately disclose cash flows related to discontinued operations. The following table presents selected cash flow information associated with our discontinued operations:

| | For the Year Ended December 31, | | |
|---|---|---|---|
| | 2024 | 2023 | 2022 |
| Significant non-cash operating activities: | | | |
| Depreciation and amortization of fixed assets | $ - | $ - | $ 32.9 |
| Amortization of intangible assets | - | - | 68.5 |
| Impairment loss | - | - | 303.7 |
| Operating lease right-of-use assets, net | - | 0.1 | 7.6 |
| Investing activities: | | | |
| Capital expenditures | - | (6.5) | (72.6) |
| Supplemental disclosures: | | | |
| Fixed assets included in accounts payable and accrued liabilities | - | - | 3.0 |

## 12. Goodwill and Intangible Assets:

The following is a summary of the change in goodwill from January 1, 2023 through December 31, 2024, both in total and as allocated to our reportable segments:

| | | Insurance |
|---|---|---|
| **Goodwill at January 1, 2023** | $ | 1,676.0 |
| Acquisitions | | 55.9 |
| Purchase accounting reclassifications | | (0.1) |
| Foreign currency translation adjustment | | 29.0 |
| **Goodwill at December 31, 2023** | | 1,760.8 |
| Acquisitions | | 10.6 |
| Dispositions | | (15.8) |
| Purchase accounting reclassifications | | 0.3 |
| Foreign currency translation adjustment | | (29.3) |
| **Goodwill at December 31, 2024** | $ | 1,726.6 |

Goodwill and intangible assets with indefinite lives are subject to impairment testing annually as of June 30, or whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. When evaluating goodwill for impairment, we may decide to first perform a qualitative assessment, or "Step Zero" impairment test, to determine whether it is more likely than not that impairment has occurred. The qualitative assessment includes a review of macroeconomic conditions, industry and market considerations, internal cost factors, and our own overall financial and share price performance, among other factors. If we do not perform a qualitative assessment, or if we determine that it is more likely than not that the carrying amount of our reporting units exceeds their fair value, we perform a quantitative assessment and calculate the estimated fair value of the respective reporting unit. If the carrying amount of a reporting unit's goodwill exceeds the fair value of that goodwill, an impairment loss is recognized. As of June 30, 2024, we completed our Step Zero impairment test at the reporting unit level and determined it was not more likely than not that the carrying values of our reporting units exceeded their fair values. We did not recognize any impairment charges related to our goodwill and indefinite-lived intangible assets. Subsequent to performing the test we continued to monitor these reporting units for events that would trigger an interim impairment test; we did not identify any such events.

Our intangible assets and related accumulated amortization consisted of the following:

| | Weighted Average Useful Life (in years) | | Cost | | Accumulated Amortization | | Net |
|---|---|---|---|---|---|---|---|
| **December 31, 2024** | | | | | | | |
| Technology-based | 8 | $ | 364.9 | $ | (285.3) | $ | 79.6 |
| Marketing-related | 6 | | 37.8 | | (35.5) | | 2.3 |
| Contract-based | 6 | | 5.0 | | (5.0) | | - |
| Customer-related | 13 | | 529.1 | | (224.0) | | 305.1 |
| Database-based | 8 | | 15.1 | | (9.7) | | 5.4 |
| Total intangible assets | | $ | 951.9 | $ | (559.5) | $ | 392.4 |
| **December 31, 2023** | | | | | | | |
| Technology-based | 8 | $ | 370.2 | $ | (261.2) | $ | 109.0 |
| Marketing-related | 6 | | 42.7 | | (38.7) | | 4.0 |
| Contract-based | 6 | | 5.0 | | (5.0) | | — |
| Customer-related | 13 | | 542.1 | | (190.7) | | 351.4 |
| Database-based | 8 | | 15.2 | | (7.9) | | 7.3 |
| Total intangible assets | | $ | 975.2 | $ | (503.5) | $ | 471.7 |

Amortization expense related to intangible assets for the years ended December 31, 2024, 2023, and 2022 was $72.3 million, $74.6 million, and $74.4 million, respectively. Estimated amortization expense in future periods through 2030 and thereafter for intangible assets subject to amortization is as follows:

| **Years Ending** | | Amount |
|---|---|---|
| 2025 | $ | 62.0 |
| 2026 | | 60.1 |
| 2027 | | 52.1 |
| 2028 | | 45.1 |
| 2029 | | 40.3 |
| 2030 and thereafter | | 132.8 |
| Total | $ | 392.4 |

## 13. Income Taxes:

Domestic and foreign income before income taxes was as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| U.S. | $ 1,201.6 | $ 1,021.9 | $ 1,277.1 |
| Foreign | 27.0 | 5.3 | (14.7) |
| Total income before income taxes | $ 1,228.6 | $ 1,027.2 | $ 1,262.4 |

The components of the provision for income taxes for the years ended December 31 were as follows:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Current: | | | |
| Federal | $ 223.0 | $ 226.8 | $ 247.8 |
| State and local | 67.5 | 52.0 | 64.7 |
| Foreign | 7.9 | 9.0 | 1.1 |
| Total current provision for income taxes | 298.4 | 287.8 | 313.6 |
| Deferred: | | | |
| Federal | (17.2) | (23.4) | (43.3) |
| State and local | (1.4) | (3.4) | (11.2) |
| Foreign | (1.9) | (2.2) | (38.8) |
| Total deferred provision for income taxes | (20.5) | (29.0) | (93.3) |
| Provision for income taxes | $ 277.9 | $ 258.8 | $ 220.3 |

The reconciliation between our effective tax rate and the statutory tax rate is as follows for the years ended December 31:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Federal statutory rate | 21.0% | 21.0% | 21.0% |
| State and local taxes, net of federal tax benefit | 4.3 | 3.7 | 3.4 |
| Impact of dispositions | (0.2) | - | (3.0) |
| UK valuation allowance release | - | - | (2.4) |
| Global Intangible Low-taxed Income | 0.2 | 1.3 | 0.4 |
| Stock-based compensation | (1.9) | (1.8) | (1.7) |
| Other | (0.8) | 1.0 | (0.2) |
| Effective tax rate | 22.6% | 25.2% | 17.5% |

The decrease in the effective tax rate in 2024 compared to 2023 was primarily due to tax charges incurred in structuring the sale of our Energy business in the prior year, as well as additional tax benefits recorded for capital losses that we were able to recognize due to capital gains arising from the settlement of our investments in non-public companies in the current year.

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The tax effects of significant items comprising our deferred tax assets and liabilities as of December 31 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Deferred tax assets: | | |
| Employee wages and other benefits | $ 47.2 | $ 49.9 |
| Lease liabilities | 46.3 | 55.4 |
| Net operating loss carryover | 7.6 | 9.4 |
| Interest expense | 30.8 | 31.0 |
| Other | 16.1 | 17.1 |
| Total | 148.0 | 162.8 |
| Less valuation allowance | (4.2) | (5.6) |
| Deferred tax assets | 143.8 | 157.2 |
| Deferred tax liabilities: | | |
| Right of use assets | (40.9) | (48.3) |
| Fixed assets and intangible assets | (168.6) | (194.1) |
| Commissions | (19.3) | (18.2) |
| Pensions | (59.2) | (57.0) |
| Other | (13.1) | (18.9) |
| Deferred tax liabilities | (301.1) | (336.5) |
| Deferred tax liabilities, net | $ (157.3) | $ (179.3) |

The net deferred tax liabilities of $157.3 million consist primarily of timing differences involving amortization.

Our net operating loss carryforwards expire as follows:

| Years Ending | | Amount |
|---|---|---|
| 2025 - 2032 | $ | 16.1 |
| 2033 - 2037 | | 4.6 |
| 2038 - 2044 | | 32.3 |
| Total | $ | 53.0 |

A valuation allowance has been established based on our evaluation of the likelihood of utilizing these benefits before they expire. Other than these items, we have determined, based on our historical operating performance, that our taxable income will more likely than not be sufficient to fully realize the deferred tax assets.

As of December 31, 2024, we have not made a provision for U.S. or additional foreign withholding taxes for any additional outside basis difference inherent in our foreign subsidiaries, as these amounts continue to be indefinitely reinvested in foreign operations. Determining the amount of unrecognized deferred tax liability related to any additional outside basis difference in these entities is not practicable. We do not rely on these unremitted earnings as a source of funds for our domestic business as we expect to have sufficient cash flow in the U.S. to fund our U.S. operational and strategic needs.

We follow ASC 740-10 which prescribes a comprehensive model for the financial statement recognition, measurement, presentation, and disclosure of uncertain tax positions taken or expected to be taken in income tax returns. For each tax position, we must determine whether it is more likely than not that the position will be sustained upon examination based on the technical merits of the position, including resolution of any related appeals or litigation. A tax position that meets the more likely than not recognition threshold is then measured to determine the amount of benefit to recognize within the financial statements. No benefits may be recognized for tax positions that do not meet the more likely than not threshold. A reconciliation of the beginning and ending amount of unrecognized tax benefit is as follows:

| | 2024 | | 2023 | | 2022 | |
|---|---|---|---|---|---|---|
| Unrecognized tax benefit as of January 1 | $ | 2.0 | $ | 3.2 | $ | 3.4 |
| Gross increase in tax positions in prior period | | 2.3 | | 0.8 | | 1.0 |
| Gross decrease in tax positions in prior period | | - | | - | | - |
| Settlements | | - | | - | | (0.6) |
| Lapse of statute of limitations | | (0.2) | | (2.0) | | (0.6) |
| Unrecognized tax benefit as of December 31 | $ | 4.1 | $ | 2.0 | $ | 3.2 |

All unrecognized tax benefits as of  December 31, 2024, 2023, and 2022 would have a favorable impact on our effective tax rate if recognized in any future periods.

The total gross amount of accrued interest and penalties for the years ended December 31, 2024, 2023, and 2022 was $0.7 million, $0.2 million, and $0.4 million, respectively. Our practice is to recognize interest and penalties associated with income taxes as a component of “Provision for income taxes” in our accompanying consolidated statements of operations.

We do not expect a significant change in unrecognized benefits related to federal, state, or foreign tax exposures within the coming year. In addition, we believe that it is reasonably possible that approximately $0.9 million of our currently remaining unrecognized tax positions, each of which is individually insignificant, may be recognized by the end of 2024 as a result of a combination of audit settlements and lapses of statute of limitations, net of additional uncertain tax positions.

We are subject to tax in the U.S., various state, and foreign jurisdictions, and are routinely under audit by various tax authorities. With few exceptions, we are no longer subject to U.S. federal, state and local, or non-US income tax examinations by tax authorities for tax years before 2020. We do not expect the results of current examinations to have a material effect on our financial position, results of operations, or cash flow.

## 14. Composition of Certain Financial Statement Caption:

The following table presents the components of “Accounts payable and accrued liabilities” as of December 31:

| | 2024 | 2023 |
|---|---|---|
| Accounts payable and accrued liabilities: | | |
| Accrued salaries, benefits and other related costs | $ 143.6 | $ 149.4 |
| Escrow liabilities | - | 3.9 |
| Accrued interest | 20.7 | 19.1 |
| Trade accounts payable and other accrued expenses | 85.5 | 158.4 |
| Acquisition-related liabilities | - | 10.0 |
| Total accounts payable and accrued liabilities | $ 249.8 | $ 340.8 |

The following table presents the components of "Other noncurrent assets" as of December 31:

| | 2024 | 2023 |
|---|---|---|
| Other noncurrent assets: | | |
| Pension benefits | $ 125.3 | $ 121.4 |
| Other assets - prepaid expenses | 87.6 | 73.2 |
| Investments in nonpublic companies | 222.2 | 231.4 |
| State income tax receivable | - | 67.7 |
| Deposits and other | 2.8 | 2.4 |
| Total other noncurrent assets | $ 437.9 | $ 496.1 |

## 15. Debt:

The following table presents short-term and long-term debt by issuance as of December 31:

| | Issuance Date | Maturity Date | 2024 | 2023 |
|---|---|---|---|---|
| Short-term debt and current portion of long-term debt: | | | | |
| Credit Facilities: | | | | |
| Syndicated revolving credit facility | Various | Various | $ - | $ - |
| Senior Notes: | | | | |
| 4.000% senior notes, less unamortized discount and debt issuance costs of $(0.3) | 5/15/2015 | 6/15/2025 | $ 499.7 | $ - |
| Finance lease liabilities (1) | Various | Various | 14.5 | 14.5 |
| Short-term debt and current portion of long-term debt | | | 514.2 | 14.5 |
| Long-term debt: | | | | |
| Senior notes: | | | | |
| 4.000% senior notes, less unamortized discount and debt issuance costs of $(1.8) | 5/15/2015 | 6/15/2025 | - | 898.2 |
| 4.125% senior notes, inclusive of unamortized premium, and net of unamortized discount and debt issuance costs of $6.3 and $7.8, respectively | 3/6/2019 | 3/15/2029 | 606.3 | 607.8 |
| 5.500% senior notes, less unamortized discount and debt issuance costs of $(3.7) and $(3.8), respectively | 5/15/2015 | 6/15/2045 | 346.3 | 346.2 |
| 3.625% senior notes, less unamortized discount and debt issuance costs of $(9.2) and $(9.6), respectively | 5/13/2020 | 5/15/2050 | 490.8 | 490.4 |
| 5.750% senior notes, less unamortized discount and debt issuance costs of $(7.9) and $(8.9), respectively | 3/3/2023 | 4/1/2033 | 492.1 | 491.1 |
| 5.250% senior notes, less unamortized discount and debt issuance costs of $(14.2) | 6/5/2024 | 6/5/2034 | 585.8 | - |
| Finance lease liabilities (1) | Various | Various | 26.9 | 20.0 |
| Syndicated revolving credit facility debt issuance costs | Various | Various | (1.3) | (1.5) |
| Long-term debt | | | 2,546.9 | 2,852.2 |
| Total debt | | | $ 3,061.1 | $ 2,866.7 |

(1) Refer to Note 8. Leases

Accrued interest associated with our outstanding debt obligations was $20.7 million and $19.1 million as of December 31, 2024 and 2023, respectively, and included in “Accounts payable and accrued liabilities” within our accompanying consolidated balance sheets. Interest expense associated with our finance lease and outstanding debt obligations, including amortization of debt issuance costs and original discounts, was $140.3 million, $131.3 million, and $135.5 million for the years ended December 31, 2024, 2023, and 2022, respectively.

*Senior Notes*

As of December 31, 2024 and 2023, we had senior notes with an aggregate principal amount of $3,050.0 million and $2,850.0 million outstanding, respectively, and were in compliance with our financial and other debt covenants.

On June 5, 2024, we completed an issuance of $600.0 million aggregate principal amount of 5.25% senior notes due 2034 (the "2034 Senior Notes"). The 2034 Senior Notes will mature on June 5, 2034 and accrue interest at a fixed rate of 5.25% per annum. Interest is payable semiannually on June 5th and December 5th of each year, beginning December 5th, 2024. The 2034 Senior Notes were issued at a discount of $9.8 million and we incurred debt issuance costs of $5.6 million. The original issuance discount and debt issuance costs were recorded in "Long-term debt" in the accompanying condensed consolidated balance sheets and these costs will be amortized to "Interest expense" in the accompanying consolidated statements of operations over the life of the 2034 Senior Notes. The net proceeds from the issuance of the 2034 Senior Notes were utilized partially for the tender offer of 4.00% senior notes due in 2025 (″2025 Senior Notes") and general corporate purposes. The indenture governing the 2034 Senior Notes restricts our ability to, among other things, create certain liens, enter into sale/leaseback transactions and consolidate with, sell, lease, convey or otherwise transfer all or substantially all of our assets, or merge with or into, any other person or entity.

On June 7, 2024, we completed a cash tender offer for $400.0 million, or 44.4%, of the aggregate principal amount of the 2025 Senior Notes. The consideration offered for each $1,000.0 principal amount of the 2025 Senior Notes was $987.09 (the "Purchase Price"). Net cash proceeds of the 2034 Senior Notes were used to pay the Purchase Price, plus accrued and unpaid interest. This reduced the outstanding balance to $500.0 million. We recognized a $3.6 million net gain on debt extinguishment comprised of $5.2 million for the discount paid below par, partially offset by $1.6 million of costs charged to expense on early debt modification.

*Credit Facilities*

We have a syndicated revolving credit facility ("Syndicated Revolving Credit Facility") with a borrowing capacity of $1,000 million with Bank of America N.A., HSBC Bank USA, N.A., JP Morgan Chase Bank, N.A., Wells Fargo Bank, National Association, Citibank, N.A., Morgan Stanley Bank, N.A., TD Bank, N.A., Goldman Sachs Bank USA, and the Northern Trust Company. The Syndicated Revolving Credit Facility may be used for general corporate purposes, including working capital needs and capital expenditures, acquisitions, dividend payments, and the Repurchase Program. As of December 31, 2024, we were in compliance with all financial and other debt covenants under our Syndicated Revolving Credit Facility. As of December 31, 2024 and 2023, the available capacity under the Syndicated Revolving Credit Facility was $995.4 million, which takes into account outstanding letters of credit of $4.6 million.

*Debt Maturities*

The following table reflects our debt maturities:

| **Years Ending** | | **Amount** |
|---|---|---|
| 2025 | $ | 520.4 |
| 2026 | | 9.3 |
| 2027 | | 7.6 |
| 2028 | | 4.0 |
| 2029 | | 600.0 |
| 2030 and thereafter | | 1,950.0 |
| Total | $ | 3,091.3 |

**16. Stockholders' Equity:**

We have 2,000,000,000 shares of authorized common stock as of December 31, 2024 and 2023. The common shares have rights to any dividend declared by our Board of Directors, subject to any preferential or other rights of any outstanding preferred stock, and voting rights to elect all eleven members of our Board of Directors. At December 31, 2024, 2023, and 2022, the adjusted closing price of our common stock was $275.43, $238.86, and $176.42 per share, respectively.

We have 80,000,000 shares of authorized preferred stock, par value $0.001 per share. The preferred shares have preferential rights over the common shares with respect to dividends and net distribution upon liquidation. We did not issue any preferred shares as of December 31, 2024 and 2023.

On February 14, 2024, April 24, 2024, July 24, 2024, and October 23, 2024, our Board approved a cash dividend of $0.39 per share of common stock issued and outstanding to the holders of record as of March 15, 2024, June 15, 2024, September 15, 2024, and December 13, 2024, respectively. Cash dividends of $221.3 million and $196.8 million were paid during the years ended December 31, 2024 and 2023, respectively, and recorded as a reduction to retained earnings.

*Share Repurchase Program*

In December 2023, March 2024, June 2024, and August 2024, we entered into Accelerated Share Repurchase ("ASR") agreements (the "December 2023 ASR Agreement", "March 2024 ASR Agreement", "June 2024 ASR Agreement", and "August 2024 ASR Agreement," respectively) to repurchase shares of our common stock for an aggregate purchase price of $250.0 million, $200.0 million, $150.0 million, and $400.0 million, respectively, with Goldman Sachs & Co. LLC, JPMorgan Chase Bank, N.A., Citibank, N.A., and Goldman Sachs & Co. LLC, respectively. All ASR agreements are accounted for as a treasury stock transaction and forward stock purchase agreement indexed to our common stock. The forward stock purchase agreements are classified as equity instruments under ASC 815-40, *Contracts in Entity's Own Equity* ("ASC 815-40") and deemed to have a fair value of zero at the respective effective date. The aggregate purchase price was recorded as a reduction to stockholders' equity in our consolidated statements of changes in stockholders' equity for the year ended December 31, 2024. Upon payment of the aggregate purchase price on December 14, 2023, March 13, 2024, June 13, 2024, and August 7, 2024, we received initial deliveries of 873,479, 714,046, 483,761, and 1,302,981 shares of our common stock, respectively. Upon the final settlement of the December 2023 ASR Agreement, the March 2024 ASR Agreement, June 2024 ASR Agreement, and the August 2024 ASR Agreement in February 2024, April 2024, July 2024, and October 2024, respectively, we received 178,227, 148,286, 68,645, and 212,635 additional shares, respectively, as determined based on the volume weighted average share price of our common stock, less a discount, of $237.71, $231.93, $271.54, and $263.92, respectively, during the term of the December 2023 ASR Agreement, the March 2024 ASR Agreement, the June 2024 ASR Agreement, and the August 2024 ASR Agreement, respectively. These repurchases for the year ended December 31, 2024 resulted in a reduction of outstanding shares used to calculate the weighted average common shares outstanding for basic and diluted earnings per share ("EPS").

In November 2024, we entered into an additional ASR agreement to repurchase shares of our common stock for an aggregate purchase price of $300.0 million with Citibank, N.A. This ASR agreement is accounted for as a treasury stock transaction and a forward stock purchase agreement indexed to our common stock. Upon the payment of the aggregate purchase price of $300.0 million on November 12, 2024, we received 885,663 shares of our common stock at an initial price of $287.92 per share, representing an initial delivery of approximately 85 percent of the aggregate purchase price. Upon the final settlement of this ASR agreement in January 2025, we received 189,909 additional shares as determined by the daily volume weighted average share price of our common stock, less a discount, of $278.92 during the term of this ASR agreement.

For the year ended December 31, 2024, we repurchased 3,994,244 shares of common stock as part of the Repurchase Program, inclusive of the ASRs and open market repurchases, at a weighted average price of $263.04 per share. We utilized cash received from operations to fund these repurchases. As of December 31, 2024, we had $591.5 million available to repurchase shares through our Repurchase Program.

*Treasury Stock*

As of December 31, 2024, our treasury stock consisted of 403,588,401 shares of common stock. During the years ended December 31, 2024, 2023, and 2022, we transferred 1,100,152, 1,457,514, and 1,650,460 shares of common stock, from the treasury shares at a weighted average price of $23.40, $19.50, and $14.25 per share, respectively.

*Earnings Per Share*

The following is a reconciliation of the numerators and denominators of our basic and diluted EPS computations for the years ended December 31:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| | (In millions, except for share and per share data) | | |
| Numerator used in basic and diluted EPS: | | | |
| Income from continuing operations | $ 950.7 | $ 768.4 | $ 1,042.1 |
| Less: Net loss (income) attributable to noncontrolling interests | 0.7 | 0.2 | (0.4) |
| Income (loss) from discontinued operations, net of tax | 6.8 | (154.0) | (87.8) |
| Net income attributable to Verisk | $ 958.2 | $ 614.6 | $ 953.9 |
| Denominator: | | | |
| Weighted average number of common shares used in basic EPS | 142,154,655 | 146,623,989 | 157,905,718 |
| Effect of dilutive shares: | | | |
| Potential common shares issuable from stock options and stock-based awards | 687,606 | 712,170 | 1,023,224 |
| Weighted average number of common shares and dilutive potential common shares used in diluted EPS | 142,842,261 | 147,336,159 | 158,928,942 |

The potential shares of common stock that were excluded from diluted EPS were 227,384, 540,221, and 1,350,159 at December 31, 2024, 2023, and 2022, respectively, because the effect of including those potential shares was anti-dilutive.

*Accumulated Other Comprehensive Losses*

The following is a summary of accumulated other comprehensive income (losses) as of December 31:

| | 2024 | 2023 |
|---|---|---|
| Foreign currency translation adjustment | $ 90.1 | $ 130.7 |
| Pension and postretirement adjustment, net of tax | (75.1) | (72.5) |
| Accumulated other comprehensive income | $ 15.0 | $ 58.2 |

The before tax and after tax amounts of other comprehensive (loss) income for the years ended December 31, 2024, 2023, and 2022 are summarized below:

| | Before Tax | Tax Benefit (Expense) | After Tax |
|---|---|---|---|
| **December 31, 2024** | | | |
| Foreign currency translation adjustment attributable to Verisk | $ (40.6) | $ — | $ (40.6) |
| Foreign currency translation adjustment attributable to noncontrolling interests | 0.9 | — | 0.9 |
| Foreign currency translation adjustment | (39.7) | — | (39.7) |
| Pension and postretirement adjustment before reclassifications | 0.4 | 0.1 | 0.5 |
| Amortization of net actuarial loss and prior service benefit reclassified from accumulated other comprehensive income (losses) (1) | (4.1) | 1.0 | (3.1) |
| Pension and postretirement adjustment | (3.7) | 1.1 | (2.6) |
| Total other comprehensive loss | $ (43.4) | $ 1.1 | $ (42.3) |
| **December 31, 2023** | | | |
| Foreign currency translation adjustment attributable to Verisk | $ 67.0 | $ — | $ 67.0 |
| Foreign currency translation adjustment attributable to noncontrolling interests | 0.6 | — | 0.6 |
| Cumulative translation adjustment recognized upon deconsolidation of the Energy business | 700.6 | — | 700.6 |
| Foreign currency translation adjustment | 768.2 | — | 768.2 |
| Pension and postretirement adjustment before reclassifications | 35.1 | (8.9) | 26.2 |
| Amortization of net actuarial loss and prior service benefit reclassified from accumulated other comprehensive income (losses) (1) | (5.8) | 1.4 | (4.4) |
| Pension and postretirement adjustment | 29.3 | (7.5) | 21.8 |
| Total other comprehensive income | $ 797.5 | $ (7.5) | $ 790.0 |
| **December 31, 2022** | | | |
| Foreign currency translation adjustment | $ (298.9) | $ — | $ (298.9) |
| Foreign currency translation adjustment attributable to noncontrolling interests | (1.4) | — | (1.4) |
| Foreign currency translation adjustment | (300.3) | — | (300.3) |
| Pension and postretirement adjustment before reclassifications | (45.7) | 13.5 | (32.2) |
| Amortization of net actuarial loss and prior service benefit reclassified from accumulated other comprehensive income (losses) (1) | (4.4) | (1.1) | (5.5) |
| Pension and postretirement adjustment | (50.1) | 12.4 | (37.7) |
| Total other comprehensive loss | $ (350.4) | $ 12.4 | $ (338.0) |

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(1) These accumulated other comprehensive loss components, before tax, are included under “Cost of revenues” and “Selling, general and administrative” in our accompanying consolidated statements of operations. These components are also included in the computation of net periodic (benefit) cost (See

Note 18. Pension and Postretirement Benefits for additional details).

## 17. Compensation Plans:

*401K and Stock Ownership Plan ("KSOP")*

We have established the KSOP for the benefit of eligible employees in the U.S. and Puerto Rico. The KSOP includes both an employee savings component and an employee stock ownership component. The purpose of the combined plan is to enable our employees to participate in a tax-deferred savings arrangement under Internal Revenue Service Code Sections 401(a) and 401(k) (the “Code”), and to provide our employees equity participation through the employee stock ownership plan (“ESOP”) accounts.

Under the KSOP, eligible employees may make pre-tax and after-tax cash contributions as a percentage of their compensation, subject to certain limitations under the applicable provisions of the Code. The maximum pre-tax contribution that can be made to the 401(k) account as determined under the provisions of Code Section 401(g) is $23.0 thousand for 2024, $22.5 thousand for 2023 and $20.5 thousand for 2022. Certain eligible participants (age 50 and older) may contribute an additional $7.5 thousand for 2024 and 2023, and $6.5 thousand for 2022.After-tax contributions are limited to 10.0% of a participant’s compensation. Effective January 1, 2019, we increased the matching contributions to 100.0% of the first 6.0% of the participant’s contribution. The 401(k) matching contributions under the KSOP for the years ended December 31, 2024, 2023, and 2022, were $33.8 million, $32.4 million, and $40.0 million, respectively; which, at our option, were funded in cash.

In 2005, we established the ISO Profit Sharing Plan (the “Profit Sharing Plan”), a defined contribution plan, to replace the qualified pension plan for all eligible employees hired on or after March 1, 2005. The Profit Sharing Plan is a component of the KSOP. Eligible employees participated in the Profit Sharing Plan if they completed 1,000 hours of service each plan year and were employed on December 31 of that year. We can make a discretionary contribution to the Profit Sharing Plan based on our annual performance. Participants vest once they have completed four years and 1,000 hours of service. For the years ended December 31, 2024, 2023, and 2022, there were no profit sharing contributions.

*Equity Compensation Plans*

All of our outstanding stock options, restricted stock awards, deferred stock units, and PSUs are covered under our 2021 Incentive Plan, or our 2013 Incentive Plan. Awards under our 2021 Incentive Plan may include one or more of the following types: (i) stock options (both nonqualified and incentive stock options), (ii) stock appreciation rights, (iii) restricted stock, (iv) restricted stock units, (v) performance awards, (vi) other share-based awards and (vii) cash. Employees, non-employee directors, and consultants are eligible for awards under our 2021 Incentive Plan. We transferred common stock under these plans from our treasury shares. As of December 31, 2024, there were 12,813,327 shares of common stock reserved and available for future issuance under our 2021 Incentive Plan. Cash received from stock option exercises for the years ended December 31, 2024 and December 31, 2023 was $124.8 million and $141.9 million, respectively. We issued common stock under these plans from our treasury shares. We have granted equity awards to key employees and directors. The ultimate realization of the PSUs may range from 0% to 200% of the recipient’s target levels established on the grant date.

A summary of the status of the stock options, restricted stock, and PSUs awarded under our 2021 Incentive Plan as of December 31, 2024, 2023, and 2022 and changes during the years are presented below.

| | Stock Option | | | Restricted Stock | | PSU | |
|---|---|---|---|---|---|---|---|
| | Number of Options | Weighted Average Exercise Price | Aggregate Intrinsic Value (in millions) | Number of Shares | Weighted Average Grant Date Fair Value Per Share | Number of Shares | Weighted Average Grant Date Fair Value Per Share |
| Outstanding at January 1, 2022 | 5,067,098 | $ 115.73 | $ 572.6 | 351,504 | $ 161.33 | 163,123 | $ 192.99 |
| Granted | 653,802 | $ 196.64 | | 201,617 | $ 193.33 | 111,333 | $ 168.63 |
| Dividend reinvestment | — | $ — | | — | $ — | 1,371 | N/A |
| Exercised or lapsed | (1,435,673) | $ 92.38 | $ 129.1 | (205,407) | $ 157.22 | (54,927) | $ 174.42 |
| Canceled, expired or forfeited | (261,411) | $ 181.48 | | (40,139) | $ 182.35 | (21,406) | $ 202.55 |
| Outstanding at December 31, 2022 | 4,023,816 | $ 132.90 | $ 193.3 | 307,575 | $ 182.07 | 199,494 | $ 195.34 |
| Granted | 211,945 | $ 185.29 | | 194,236 | $ 185.22 | 48,486 | $ 212.86 |
| Dividend reinvestment | — | $ — | | — | $ — | 1,142 | N/A |
| Exercised or lapsed | (1,295,815) | $ 108.85 | $ 118.1 | (178,602) | $ 179.39 | (45,997) | $ 192.93 |
| Canceled, expired or forfeited | (227,436) | $ 187.56 | | (32,170) | $ 183.25 | (21,889) | $ 207.27 |
| Outstanding at December 31, 2023 | 2,712,510 | $ 143.91 | $ 257.6 | 291,039 | $ 186.28 | 181,236 | $ 199.62 |
| Granted | 203,884 | $ 237.10 | | 155,304 | $ 237.93 | 47,838 | $ 265.94 |
| Dividend reinvestment | — | $ — | | — | $ — | 1,073 | N/A |
| Exercised or lapsed | (976,351) | $ 127.80 | $ 124.8 | (120,287) | $ 188.06 | (47,821) | $ 210.07 |
| Canceled, expired or forfeited | (29,710) | $ 199.81 | | (18,515) | $ 207.81 | (1,870) | $ 210.07 |
| Outstanding at December 31, 2024 | 1,910,333 | $ 161.16 | $ 218.3 | 307,541 | $ 210.62 | 180,456 | $ 205.10 |
| Exercisable at December 31, 2024 | 1,345,181 | $ 142.14 | $ 179.3 | | | | |
| Exercisable at December 31, 2023 | 1,947,253 | $ 127.43 | $ 217.0 | | | | |
| Nonvested at December 31, 2024 | 565,152 | | | 307,541 | | 180,456 | |
| Expected to vest at December 31, 2024 | 462,867 | | | 264,717 | | 246,313 (1) | |

(1) Includes estimated performance achievement

The fair value of our stock options granted was estimated on the date of grant using a Black-Scholes option valuation model that uses the weighted-average assumptions noted in the following table during the years ended December 31:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Option pricing model | Black-Scholes | Black-Scholes | Black-Scholes |
| Weighted average grant price | $ 237.10 | $ 185.29 | $ 196.64 |
| Expected volatility | 23.51% | 27.28% | 25.33% |
| Risk-free interest rate | 3.89% | 3.77% | 1.55% |
| Expected term in years | 3.7 | 4.0 | 4.2 |
| Dividend yield | 0.66% | 0.66% | 0.60% |
| Weighted average grant date fair value per stock option | $ 53.45 | $ 48.14 | $ 42.25 |

A summary of the status of our nonvested options and changes are presented below:

| | Number of Options | Weighted Average Grant-Date Fair Value Per Share |
|---|---|---|
| Nonvested balance at January 1, 2022 | 1,893,506 | $ 28.49 |
| Granted | 653,802 | $ 42.25 |
| Vested | (964,156) | $ 22.97 |
| Cancelled or expired | (261,411) | $ 35.23 |
| Nonvested balance at December 31, 2022 | 1,321,741 | $ 34.65 |
| Granted | 211,945 | $ 52.69 |
| Vested | (540,993) | $ 33.08 |
| Cancelled or expired | (227,436) | $ 38.03 |
| Nonvested balance at December 31, 2023 | 765,257 | $ 39.74 |
| Granted | 203,884 | $ 53.75 |
| Vested | (374,279) | $ 36.67 |
| Cancelled or expired | (29,710) | $ 44.34 |
| Nonvested balance at December 31, 2024 | 565,152 | $ 46.59 |

Intrinsic value for stock options is calculated based on the exercise price of the underlying awards and the quoted price of our common stock as of the reporting date. Excess tax benefits of $27.3 million, $20.6 million, and $26.5 million from exercised stock options were recorded as income tax benefit in our accompanying consolidated statements of operations for the years ended December 31, 2024, 2023, and 2022, respectively. Stock-based compensation expense for the years ended December 31, 2024, 2023, and 2022 was $47.9 million, $54.0 million, and $56.5 million, respectively. As of December 31, 2024, the weighted average remaining contractual terms were 5.5 and 4.5 years for outstanding and exercisable stock options, respectively. As of December 31, 2023, the weighted average remaining contractual terms were 5.6 years and 4.8 years for outstanding and exercisable stock options, respectively.

As of December 31, 2024, there was $75.1 million of total unrecognized compensation cost, exclusive of the impact of vesting upon retirement eligibility, related to nonvested share-based compensation arrangements granted under our 2021 and 2013 Incentive Plans. That cost is expected to be recognized over a weighted-average period of 2.26 years.

Our U.K. Sharesave Plan offers qualifying employees in the United Kingdom the opportunity to own shares of our common stock. Employees who elect to participate are granted stock options, of which the exercise price is equal to the average of the closing price on the five trading days immediately preceding the plan invitation date discounted by 5%, and enter into a savings contract, the proceeds of which are then used to exercise the options upon the three-year maturity of the savings contract. During the years ended December 31, 2024, 2023, and 2022, we granted 3,268, 5,144, and 9,370 stock options under the U.K. Sharesave Plan at a discounted exercise price of $257.05, $227.65, and $178.26, respectively. As of December 31, 2024, there were 442,363 shares of common stock reserved and available for future issuance under our U.K. Sharesave Plan.

We also offer eligible employees the opportunity to participate in an ESPP. Under our ESPP, participating employees may authorize payroll deductions of up to 20.0% of their regular base salary and up to 50.0% of their short-term incentive compensation, both of which in total may not exceed $25.0 thousand in any calendar year, to purchase shares of our common stock at a 5.0% discount of its fair market value at the time of purchase. In accordance with ASC 718, our ESPP is noncompensatory as the purchase discount is 5.0% or less from the fair market value, substantially all employees that meet limited employment qualifications may participate, and it incorporates no option features. During the years ended December 31, 2024, 2023, and 2022, we issued 16,964, 18,636, and 30,398 shares of common stock at a weighted average discounted price of $247.44, $209.68, and $174.66, respectively. As of December 31, 2024, there were 1,160,295 shares of common stock reserved and available for future issuance under our ESPP.

## 18. Pension and Postretirement Benefits:

We have a frozen qualified defined benefit pension plan for certain of our employees through membership in the Pension Plan for Insurance Organizations (the “Pension Plan”), a multiple-employer trust. Prior to the freeze, we applied a cash balance formula to determine future benefits. Under the cash balance formula, each participant has an account, which was credited annually based on salary rates determined by years of service, as well as the interest earned on the previous year-end cash balance. We also have a non-qualified frozen supplemental cash balance plan (“SERP”) for certain employees. Our SERP is funded from our general assets. We contributed $0.7 million to our SERP in 2024 and $1.7 million in 2023, respectively, and expect to contribute $0.8 million in 2025.

Our Pension Plan’s funding policy is to contribute annually at an amount between the minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974 and the maximum amount that can be deducted for federal income tax purposes. No minimum contribution requirement was and is expected for 2024 and 2023, respectively.

We also provide certain healthcare and life insurance benefits for both active and retired employees. The Postretirement Health and Life Insurance Plan (the “Postretirement Plan”), which has been frozen, is contributory, requiring participants to pay a stated percentage of the premium for coverage. We do not expect to contribute to our Postretirement Plan in 2025.

The following table sets forth the changes in the benefit obligations and the plan assets, the funded status of the Pension Plan, SERP, and Postretirement Plan, and the amounts recognized in our consolidated balance sheets at December 31:

| | Pension Plan and SERP | | Postretirement Plan | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Change in benefit obligation: | | | | |
| Benefit obligation at January 1 | $ 317.8 | $ 330.9 | $ 4.1 | $ 4.2 |
| Interest cost | 16.1 | 17.1 | 0.1 | 0.2 |
| Actuarial (gain) loss | (7.8) | (0.8) | (0.4) | 1.1 |
| Plan participants’ contributions | — | — | 1.4 | 1.3 |
| Benefits paid | (28.1) | (29.4) | (2.2) | (2.7) |
| Benefit obligation at December 31 | $ 298.0 | $ 317.8 | $ 3.0 | $ 4.1 |
| Accumulated benefit obligation at December 31 | $ 298.0 | $ 317.8 | | |
| Change in plan assets: | | | | |
| Fair value of plan assets at January 1 | $ 425.9 | $ 406.3 | $ 8.1 | $ 7.6 |
| Actuarial gain | 11.0 | 47.3 | — | 0.4 |
| Employer contributions, net | 0.7 | 1.7 | 0.8 | 1.5 |
| Plan participants’ contributions | — | — | 1.4 | 1.3 |
| Benefits paid | (28.1) | (29.4) | (2.2) | (2.7) |
| Fair value of plan assets at December 31 | $ 409.5 | $ 425.9 | $ 8.1 | $ 8.1 |
| Funded status at December 31 | $ (111.5) | $ (108.1) | $ (5.1) | $ (4.0) |
| Amounts recognized in the consolidated balance sheets consist of: | | | | |
| Pension assets, noncurrent (1) | $ (120.4) | $ (117.4) | $ (5.1) | $ (4.0) |
| Pension, SERP and postretirement benefits, current (2) | 0.7 | 1.0 | — | — |
| Pension, SERP and postretirement benefits, noncurrent (3) | 8.2 | 8.3 | — | — |
| Total Pension, SERP and Postretirement benefits | $ (111.5) | $ (108.1) | $ (5.1) | $ (4.0) |

(1) Included in "Other noncurrent assets" in our accompanying consolidated balance sheets
(2) Included in "Accounts payable and accrued liabilities" in our accompanying consolidated balance sheets
(3) Included in "Other noncurrent liabilities" in our accompanying consolidated balance sheets

The pre-tax components included within accumulated other comprehensive losses as of December 31 are summarized below:

| | Pension Plan and SERP | | Postretirement Plan | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Prior service cost | $ 2.3 | $ 2.4 | $ — | $ — |
| Actuarial losses | 122.6 | 118.3 | 3.1 | 3.6 |
| Accumulated other comprehensive losses, pretax | $ 124.9 | $ 120.7 | $ 3.1 | $ 3.6 |

The pre-tax components of net periodic benefit (credit) cost and the amounts recognized in other comprehensive income are summarized below for the years ended December 31:

| | Pension Plan and SERP | | | Postretirement Plan | | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2022 | 2024 | 2023 | 2022 |
| Interest cost | $ 16.1 | $ 17.1 | $ 14.7 | $ 0.1 | $ 0.2 | $ 0.1 |
| Expected return on plan assets | (26.8) | (24.1) | (28.2) | (0.2) | (0.1) | (0.2) |
| Amortization of prior service cost reclassified from accumulated other comprehensive income | 0.2 | 0.2 | 0.2 | — | — | — |
| Amortization of net actuarial loss reclassified from accumulated other comprehensive income | 3.6 | 5.2 | 4.0 | 0.3 | 0.4 | 0.2 |
| Net periodic (credit) benefit cost | (6.9) | (1.6) | (9.3) | 0.2 | 0.5 | 0.1 |
| Less: Amortization of prior service cost reclassified from accumulated other comprehensive income | (0.1) | (0.2) | (0.2) | — | — | — |
| Less: Amortization of actuarial loss reclassified from accumulated other comprehensive losses | (0.1) | (0.1) | (0.2) | — | — | — |
| Less: Net loss recognized reclassified from accumulated other comprehensive losses | (3.5) | (5.1) | (3.8) | (0.3) | (0.4) | (0.2) |
| Actuarial loss (gain) | 7.9 | (24.3) | 53.5 | (0.2) | 0.8 | 1.0 |
| Total recognized in other comprehensive income | 4.2 | (29.7) | 49.3 | (0.5) | 0.4 | 0.8 |
| Total recognized in net periodic benefit credit and other comprehensive (income) loss | $ (2.7) | $ (31.3) | $ 40.0 | $ (0.3) | $ 0.9 | $ 0.9 |

The weighted-average assumptions used to determine benefit obligations as of December 31, 2024 and 2023 and net periodic benefit (credit) cost for the years 2024, 2023 and 2022 are provided below:

| | Pension Plan and SERP | | | Postretirement Plan | | |
|---|---|---|---|---|---|---|
| Weighted-average assumptions used to determine benefit obligations: | 2024 | 2023 | | 2024 | 2023 | |
| Discount rate | 5.64 % | 5.37 % | | 5.17 % | 4.75 % | |
| Expected return on plan assets | 6.50 % | 6.50 % | | 1.75 % | 1.75 % | |
| Cash balance interest credit rate | 5.42 % | 4.43 % | | N/A | | |
| | | | | | | |
| Weighted-average assumptions used to determine net periodic benefit (credit) cost: | 2024 | 2023 | 2022 | 2024 | 2023 | 2022 |
| Discount rate | 5.37 % | 5.48 % | 2.75 % | 4.75 % | 5.25 % | 2.25 % |
| Expected return on plan assets | 6.50 % | 6.25 % | 6.25 % | 1.75 % | 1.75 % | 1.75 % |
| Cash balance interest credit rate | 5.42 % | 4.43 % | 2.57 % | N/A | | |

The following table presents the estimated future benefit payments for the respective plans. The future benefit payments for the Postretirement Plan are net of the federal Medicare subsidy.

| | Pension Plan and SERP | Postretirement Plan | | |
|---|---|---|---|---|
| | Gross Benefit Amount | Gross Benefit Amount | Medicare Subsidy Payments | Net Benefit Amount |
| 2025 | $ 29.0 | $ 0.6 | $ — | $ 0.6 |
| 2026 | $ 28.6 | $ 0.5 | $ — | $ 0.5 |
| 2027 | $ 28.7 | $ 0.4 | $ — | $ 0.4 |
| 2028 | $ 27.4 | $ 0.4 | $ — | $ 0.4 |
| 2029 | $ 26.1 | $ 0.3 | $ — | $ 0.3 |
| 2030 and thereafter | $ 118.9 | $ 1.1 | $ — | $ 1.1 |

The healthcare cost trend rate for 2024 was 8.75% gradually decreasing to 4.5% in 2042. Assumed healthcare cost trend rates have a significant effect on the amounts reported for the healthcare plan.

The subsidy benefit from the Medicare Prescription Drug, Improvement and Modernization Act of 2003 reduced our accumulated postretirement benefit assets by approximately $1.0 million as of December 31, 2024 and 2023. The subsidy cost increased the net periodic benefit cost by approximately $132.9 thousand, $118.1 thousand, and $80.7 thousand in fiscal 2024, 2023 and 2022, respectively.

The expected return on our Pension Plan assets as of December 31, 2024 and 2023 was 6.50% and 6.25%, respectively, which was determined by taking into consideration our analysis of our actual historical investment returns to a broader long-term forecast after adjusting for the target investment allocation and reflecting the current economic environment. During the first quarter of 2024 and as of December 31, 2023, the investment guidelines on our Pension Plan assets had targeted an investment allocation of 40% to equity securities and 60% to debt securities. Our Pension Plan assets consist primarily of investments in various fixed income and equity funds. Investment guidelines are established with each investment manager. These guidelines provide the parameters within which the investment managers agree to operate, including criteria that determine eligible and ineligible securities, diversification requirements and credit quality standards, where applicable. Investment managers are prohibited from entering into any speculative hedging transactions. The investment objective is to achieve a maximum total return with strong emphasis on preservation of capital in real terms.

The asset allocation at December 31, 2024 and 2023, and target allocation by asset category are as follows:

| Asset Category | Target Allocation | Percentage of Plan Assets 2024 | 2023 |
|---|---|---|---|
| Equity securities | 40.0% | 36.5% | 40.0% |
| Debt securities | 60.0 | 57.5 | 53.5 |
| Real Estate | — | 4.9 | 5.3 |
| Other | — | 1.1 | 1.2 |
| Total | 100.0% | 100.0% | 100.0% |

We have used the target investment allocation to derive the expected return as we believe this allocation will be retained on an ongoing basis that will be commensurate with the projected cash flows of the plan. The expected return for each investment category within the target investment allocation is developed using average historical rates of return for each targeted investment category, considering the projected cash flow of our Pension Plan. The difference between this expected return and the actual return on plan assets is generally deferred and recognized over subsequent periods through future net periodic benefit costs. We believe that the use of the average historical rates of returns is consistent with the timing and amounts of expected contributions to the plans and benefit payments to plan participants. These considerations provide the basis for reasonable assumptions with respect to the expected long-term rate of return on plan assets.

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We also maintain a voluntary employees beneficiary association plan (the "VEBA Plan") under Section 501(c)(9) of the Internal Revenue Code to fund the Postretirement Plan. The asset allocation for our VEBA Plan at December 31, 2024 and 2023 was 100% in debt securities.

There were no transfers among Levels 1, 2, or 3 for the years ended December 31, 2024 and 2023. Refer to Note 7. Fair Value Measurements for further discussion with respect to fair value hierarchy. The following table summarizes the fair value measurements by level of our Pension Plan and Postretirement Plan assets:

| | Total | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) |
|---|---|---|---|
| **December 31, 2024** | | | |
| Equity | | | |
| Managed equity accounts (1) | $ 117.0 | $ 117.0 | $ — |
| Equity — pooled separate account (2) | 32.4 | — | 32.4 |
| Debt | | | |
| Fixed income manager — separately managed account (5) | 235.7 | — | 235.7 |
| Fixed income manager — government securities (3) | 8.1 | 8.1 | — |
| Others | | | |
| Cash — pooled separate account (2) | 4.5 | — | 4.5 |
| Global real estate account (4) | 19.9 | — | 19.9 |
| Total | $ 417.6 | $ 125.1 | $ 292.5 |
| **December 31, 2023** | | | |
| Equity | | | |
| Managed equity accounts (1) | $ 131.6 | $ 131.6 | $ — |
| Equity — pooled separate account (2) | 38.6 | — | 38.6 |
| Debt | | | |
| Fixed income manager — separately managed account (5) | 138.9 | — | 138.9 |
| Fixed income manager — pooled separate account (2) | 89.2 | — | 89.2 |
| Fixed income manager — government securities (3) | 8.1 | 8.1 | — |
| Others | | | |
| Cash — pooled separate account (2) | 5.2 | — | 5.2 |
| Global real estate account (4) | 22.4 | — | 22.4 |
| Total | $ 434.0 | $ 139.7 | $ 294.3 |

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(1) Valued at the closing price of shares for domestic stocks within the managed equity accounts, and valued at the net asset value ("NAV") of shares for mutual funds at either the closing price reported in the active market or based on yields currently available on comparable securities of issuers with similar credit ratings for corporate bonds held by the Pension Plan in these managed accounts.

(2) The pooled separate accounts invest in domestic and foreign stocks, bonds and mutual funds. The fair values of these stocks, bonds and mutual funds are publicly quoted and are used in determining the NAV of the pooled separate account, which is not publicly quoted.

(3) The fund invested in the U.S. government, its agencies or instrumentalities or securities that are rated AAA by S&P, AAA by Fitch, or Aaa by Moody's, including but not limited to mortgage securities such as agency and non-agency collateralized mortgage obligations, and other obligations that are secured by mortgages or mortgage backed securities, and valued at the closing price reported in the active market.

(4) The funds invested in common stocks and other equity securities issued by domestic and foreign real estate companies, including real estate investment trusts ("REIT") and similar REIT-like entities. The fair values of these stocks, bonds and mutual funds are publicly quoted and are used in determining the NAV of the funds, which is not publicly quoted.

(5) The separately managed accounts invest in U.S. Treasury Bonds and U.S. Treasury Separate Trading of Registered Interest and Principal of Securities ("UST STRIPS"). The fair values of these bonds and UST STRIPS are publicly quoted and are used in determining the NAV of the separately managed account, which is not publicly quoted.

## 19. Segment Reporting

ASC 280-10, *Disclosures About Segments of an Enterprise and Related Information* (“ASC 280-10”), establishes standards for reporting information about operating segments. ASC 280-10 requires that a public business enterprise reports financial and descriptive information about its reportable operating segments. Operating segments are components of an enterprise for which separate financial information is available that is evaluated regularly by the chief operating decision maker (“CODM”) in deciding how to allocate resources and in assessing performance. Our President and CEO is identified as the CODM as defined by ASC 280-10.

Each of our reportable segments, Insurance, Energy and Specialized Markets, and Financial Services has a portion of its revenue from more than one of the three revenue types described within the revenue recognition policy within Note 2. Basis of Presentation and Summary of Significant Accounting Policies. Below is the overview of the solutions offered within each reportable segment.

***Insurance:*** We are the leading provider of statistical, actuarial, and underwriting data for the U.S. P&C insurance industry. Our databases include cleansed and standardized records describing premiums and losses in insurance transactions, casualty and property risk attributes for commercial buildings and their occupants, and fire suppression capabilities of municipalities. We use this data to create policy language and proprietary risk classifications that are industry standards and to generate prospective loss cost estimates used to price insurance policies, which are accessed via a hosted platform. We also develop solutions that our customers use to analyze key processes in managing risk. Our combination of algorithms and analytic methods incorporates our proprietary data to generate solutions. We also help businesses and governments better anticipate and manage climate and weather-related risks. In most cases, our customers integrate the solutions into their models, formulas or underwriting criteria in order to predict potential loss events, ranging from hurricanes to earthquakes. We develop catastrophe and extreme event models and offer solutions covering natural and man-made risks, including acts of terrorism. We further develop solutions that allow customers to quantify costs after loss events occur. Our multitier, multispectral terrestrial imagery and data acquisition, processing, analytics, and distribution system using the remote sensing and machine learning technologies help gather, store, process, and deliver geographic and spatially referenced information that supports uses in many markets. Additionally, we offer fraud-detection solutions including review of data on claim histories, analysis of claims to find emerging patterns of fraud, and identification of suspicious claims in the insurance sector. Our underwriting, insurance anti-fraud claims, catastrophe modeling, and loss quantification are included in this segment.

***Energy and Specialized Markets:*** In the first quarter of 2022*,* the sale of 3E (which comprised of our Specialized Market) was completed. On February 1, 2023, we completed the sale of our Energy segment. We determined that the transaction met the criteria to be classified as discontinued operations. As a result, the financial operations of Energy are excluded from the segment disclosure. See Note 11. Dispositions and Discontinued Operations for further discussion. Prior to the sale, we were a leading provider of data analytics via hosted platform for the global energy, chemicals, and metals and mining industries. Our research and consulting solutions focused on exploration strategies and screening, asset development and acquisition, commodity markets, and corporate analysis in the areas of business environment, business improvement, business strategies, commercial advisory, and transaction support. We gathered and managed proprietary information, insight, and analysis on oil and gas fields, mines, refineries, and other assets across the interconnected global energy sectors to advise customers in making asset investment and portfolio allocation decisions. Our analytical tools measured and observed environmental properties and translated those measurements into actionable information based on customer needs. In addition, we provided market and cost intelligence to energy companies to optimize financial results. We further offered a suite of data and information services that enable improved compliance with global Environmental Health and Safety requirements related to the safe manufacturing, distribution, transportation, usage, and disposal of chemicals and products.

***Financial Services:*** On April 8, 2022, the sale of this segment was completed. See Note 11. Dispositions and Discontinued Operations for further discussion. Prior to the sale, we maintained a bank account consortia to provide competitive benchmarking, decisioning algorithms, business intelligence, and customized analytic services that help financial institutions, payment networks and processors, alternative lenders, regulators, and merchants make better strategy, marketing, and risk decisions. Customers applied our solutions in the areas of tailored data management and media effectiveness that include business intelligence platforms, profile views, mobile data solutions, enterprise database services, and fraud risk scoring algorithms for marketing, fraud, and risk mitigation.

The CODM uses EBITDA and consolidated net income to set budgets, evaluate margins, review actual results and in deciding whether to reinvest profits into the business, pursue acquisitions, pay dividends and/or engage in other capital management transactions. Consolidated net income is the measure of segment profit most consistent with U.S. GAAP that is regularly reviewed by the CODM to allocate resources and assess performance. For the year ended December 31, 2024 and December 31, 2023 results, please refer to the Consolidated Statements of Income for information regarding revenues, expenses, and the measure of profit and loss, which is net income. The CODM regularly reviews the Consolidated Statement of Operations. As of February 1, 2023, we have determined that we have one operating segment and one reportable segment, Insurance, on a prospective basis. We have included the results of our disposed of segments below for comparability purposes. See Note 6. Revenues for information on disaggregated revenues by type of service and by country. Segment assets is reported on the balance sheet as total consolidated assets.

**VERISK ANALYTICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

The following table provides our revenue and EBITDA by reportable segment for the year ended December 31, 2022, as well as a reconciliation of EBITDA to net income:

| | 2022 | | | |
|---|---|---|---|---|
| | Insurance | Energy and Specialized Markets | Financial Services | Total |
| Revenues | $ 2,437.0 | $ 22.4 | $ 37.6 | $ 2,497.0 |
| Expenses: | | | | |
| Cost of revenues (exclusive of items shown separately below) | (781.9) | (19.1) | (23.6) | (824.6) |
| Selling, general and administrative | (347.4) | (26.7) | (7.4) | (381.5) |
| Other operating (loss) gain | - | 450.0 | (95.8) | 354.2 |
| Investment income (loss) | (4.7) | (0.4) | (0.2) | (5.3) |
| EBITDA from discontinued operations of the Energy business | - | (117.9) | - | (117.9) |
| EBITDA | $ 1,303.0 | $ 308.3 | $ (89.4) | $ 1,521.9 |
| EBITDA from discontinued operations of the Energy business | | | | 117.9 |
| Depreciation and amortization of fixed assets | | | | (164.2) |
| Amortization of intangible assets | | | | (74.4) |
| Interest expense | | | | (138.8) |
| Provision for income taxes | | | | (220.3) |
| Income (loss) from discontinued operations | | | | (87.8) |
| Net income | | | | $ 954.3 |

Long-lived assets by country are provided below as of December 31:

| | 2024 | 2023 |
|---|---|---|
| Long-lived assets: | | |
| U.S. | $ 2,303.1 | $ 2,455.7 |
| U.K. | 589.4 | 597.9 |
| Other countries | 460.6 | 502.4 |
| Total long-lived assets | $ 3,353.1 | $ 3,556.0 |

**20. Related Parties:**

We consider our stockholders that own more than 5% of the outstanding stock within the class to be related parties as defined within ASC 850, *Related Party Disclosures*. We had no material transactions with related parties owning more than 5% of the entire class of stock for the years ended December 31, 2024 and 2023.

Therese M. Vaughan, one of our directors, was also a director of American International Group ("AIG") until January 31, 2024. AIG is a customer of Verisk, and our revenue from AIG is approximately 1% of our consolidated revenue in 2024 and 2023.

Greg Hendrick, one of our directors, is the CEO of Vantage Risk. There are no material transactions with Vantage Risk.

Lee M. Shavel, our President and CEO and one of our directors, is a director of FactSet Research Systems, Inc. There are no material transactions with FactSet Research Systems, Inc.

**21. Commitments and Contingencies:**

We are a party to legal proceedings, investigations, examinations, subpoenas, third party requests, government requests, regulatory proceedings and other claims with respect to a variety of matters in the ordinary course of business, including the matters described below (collectively, “Ongoing Matters”). With respect to Ongoing Matters, we are unable, at the present time, to determine the ultimate resolution of or provide a reasonable estimate of the range of possible loss attributable to Ongoing Matters or the impact these matters may have on our results of operations, financial position, or cash flows. Although we believe we have strong defenses and have appealed adverse rulings to us, we could in the future incur judgments or enter into settlements of claims that could have a material adverse effect on our results of operations, financial position, or cash flows.

*Telematics Litigation*

As of April 19, 2024, various Plaintiffs filed a total of twenty separate putative class action lawsuits, sixteen against General Motors LLC (“GM”), OnStar LLC (“OnStar”), LexisNexis Risk Solutions, Inc. (“LexisNexis”) and Verisk Analytics Inc. in the United States District Courts for the Northern District of Georgia, the Eastern District of Michigan, Central District of California, District of New Jersey, Southern District of New York, Northern District of Alabama, Northern District of Illinois and District of South Carolina, and four against Hyundai Motor America (“Hyundai”) and Verisk in the Central District of California and District of New Jersey, all of which have been dismissed to date. The Complaints generally allege that the auto manufacturer Defendants collected consumers’ driver behavior data through vehicle software, transmitted it to LexisNexis and Verisk, and that LexisNexis and Verisk shared the data with auto insurance companies, without the individuals’ knowledge or consent. Plaintiffs seek certification of both nationwide classes of individuals and subclasses of various state residents who had their vehicle’s driving data collected by Defendants and shared with a third party without their consent. The Plaintiffs also seek actual, statutory and punitive damages, injunctive relief, as well as reasonable attorney’s fees and other costs. On June 7, the Judicial Panel on Multidistrict Litigation transferred all GM-related lawsuits to the U.S. District Court for the Northern District of Georgia (In Re: Consumer Vehicle Driving Data Tracking Litigation, MDL Case No. 1:24-md-03115-TWT). All discovery proceedings have been stayed. The matters pending against Verisk in the MDL were voluntarily dismissed on December 13, 2024, and a new putative class action, *Adam Dinitz, et al. v. Verisk Analytics, Inc.* (“*Dinitz*”), was filed in the District of New Jersey federal court, Case No. 24-11157, to include those dismissed matters and additional named Plaintiffs. *Dinitz* was transferred to the Northern District of Georgia to be part of the consolidated MDL. A related amended Master Consolidated class action Complaint was also filed in the MDL on December 13, 2024. At this time, it is not possible to reasonably estimate the liability related to these and other associated matters, as they are still in their early stages.

*Indemnification Claim*

In December 2023, we received a Notice of Indemnification claim from the current owner of our former healthcare data analytics subsidiary, which was divested in 2016, relating to an ongoing tax investigation by the Nepalese tax authorities. Pursuant to the 2016 sale agreement, we are subject to indemnification obligations with respect to certain pre-closing tax liabilities of the divested entity. At this time, it is not possible to reasonably estimate the liability related to this matter, as it is still in its early stages.

*Commercial Litigation*

On February 12, 2024, Plaintiffs filed a lawsuit, DDS Striker Holdings LLC and Data Driven Holdings LLC against Verisk Analytics, Inc. and Insurance Service Office, in the Superior Court of Delaware, Case No. N24C-02-130 VLM CCLD. Plaintiffs allege claims for breach of contract, breach of the implied covenant of good faith and fair dealing, fraudulent inducement, common law fraud, and civil conspiracy in connection with their inability to meet the post-closing earn-out targets negotiated as part of our acquisition of Data Driven Safety, LLC. Plaintiffs seek rescissory, out-of-pocket and punitive damages, as well as attorney’s fees, costs and other expenses. We filed a motion to dismiss Plaintiffs’ claims, which was fully briefed as of June 21, 2024, and was partially denied on August 29, 2024. Discovery is ongoing. At this time, it is not possible to reasonably estimate the liability related to this matter, as the case is still in its early stages.

*Data Privacy Litigation*

On or about February 8, 2023, Plaintiffs filed a lawsuit, Atlas Data Privacy Corp., et al. v. Verisk Analytics, Inc., et al., in the Superior Court of New Jersey, Middlesex County, Case No. MID-L-000903-24, alleging violations of Daniel's Law. Atlas claims to be an "assignee" of claims of approximately 19,640 individuals who are "covered persons" under Daniel's Law, allegedly enacted to provide judicial and law enforcement officers and their family members with the right to prevent disclosure of their personal information and to enforce those rights against uncooperative data brokers. It is alleged that Defendants have violated Daniel's Law by failing to respond and comply with their written request to Defendants to cease publicly disclosing or re-disclosing their protected information. Plaintiffs seek actual damages in the amount of $1,000 per violation under the statute, punitive damages, injunctive relief ordering compliance with Daniel's Law, permanent injunctive relief, including the appointment of a qualified independent expert to ensure compliance with Daniel's Law, and reasonable attorney's fees and costs. On June 21, 2024, the court issued a "lack of prosecution" warning to Atlas, advising that the case will be dismissed without prejudice if service is not effectuated by August 20, 2024. The case was dismissed without prejudice on August 26, 2024. On October 11, 2024, Plaintiffs served Verisk with the Summons and Complaint, indicating their intent to revise the lawsuit. At this time, it is not possible to reasonably estimate the liability related to this matter, as the case is still in its early stages.

On January 30, 2023, Plaintiffs Justin Ahringer and Michael Donner filed a putative class action lawsuit in the United States District Court, Central District of California, titled Ahringer et al. v. LoanDepot, Inc. and Verisk Analytics, Inc. d/b/a Jornaya, Case No.: 8:23-cv-00186. Plaintiffs assert violations of California's Invasion of Privacy Act, Unfair Competition Law, and a violation of class members' privacy rights under the California Constitution. Plaintiffs allege that the Defendants recorded visitors' electronic communications without their consent. Plaintiffs seek to certify a nationwide class of individuals who visited LoanDepot.com and provided personal information on the website's forms to receive a quote or apply for a loan. They allege that the aggregate claims of all members of the proposed class exceeds $5.0 million. Plaintiffs seek compensatory, statutory or punitive damages or restitution, as well as reasonable attorney's fees and other costs. We filed a motion to dismiss Plaintiffs' claims on April 13, 2023. The parties engaged in jurisdictional discovery in response to the court's demand to Plaintiff to demonstrate why this case should not be dismissed for lack of subject matter jurisdiction. The court found jurisdiction is proper and partially denied our motion on February 7, 2024. We filed our Answer to Plaintiffs' Complaint on February 22, 2024. The parties agreed to a settlement. The court granted the Parties' joint stipulation of dismissal, thereby dismissing all claims in the case. The case has been marked closed.

On June 27, 2022, Plaintiff Loretta Williams brought a putative class action against Lead Intelligence, Inc. d/b/a Jornaya ("we," "our," or "us") in the United States District Court for the Northern District of California, titled Williams v. DDR Media, LLC and Lead Intelligence, Inc. d/b/a Jornaya, Civil Action No. 3:22-cv-03789. The Complaint alleges that the Defendants violated the California Invasion of Privacy Act, Cal. Penal Code 631 ("CIPA") and invaded Plaintiff's and class members' privacy rights when Defendants purportedly recorded visitors' visits to the scrappyrent2own.com website without prior express consent. It is further alleged that this conduct constitutes a violation of the California Unfair Competition Law, Cal. Bus. Prof. Code Section 17200 et seq. and the California Constitution. The Complaint seeks class certification, injunctive relief, statutory damages in the amount of $5,000 for each violation, attorneys fees and other litigation costs. Our motion to compel arbitration was fully briefed as of January 27, 2023. It was denied on February 28, 2023. We filed a motion to dismiss Plaintiff's claims on April 13, 2023. On August 18, 2023 the court granted our motion, dismissing Plaintiff's claims without prejudice, but giving Plaintiff an opportunity to amend her claims by September 20, 2023. Plaintiff filed a Second Amended Complaint ("SAC") on September 20, 2023. Our motion to dismiss the SAC was fully briefed on December 18, 2023. It was denied on January 30, 2024. The court held an initial case management conference for February 9, 2024 and allowed the parties to engage in limited discovery. Our motion for summary judgment was filed on July 19, 2024 and oral argument was held on September 20, 2024. On November 20, 2024, the Court granted our motion for summary judgment. The case has been marked closed.

On December 15, 2021, Plaintiff Jillian Cantinieri brought a putative class action against Verisk Analytics, Insurance Services Office and ISO Claims Services, Inc. ("we," "our," or "us") in the United States District Court for the Eastern District of New York, titled Cantinieri v. Verisk Analytics Inc., et al., Civil Action No. 2:21-cv-6911. The Complaint alleges that we failed to safeguard the personally identifiable information (PII) of Plaintiff and the members of the proposed classes from a purported breach of our databases by unauthorized entities. Plaintiff and class members allege actual and imminent injuries, including theft of their PII, fraudulent activity on their financial accounts, lowered credit scores, and costs associated with detection and prevention of identity theft and fraud. They seek to recover compensatory, statutory and punitive damages, disgorgement of earnings and profits, and attorney's fees and costs. We filed our motion to dismiss Plaintiff's claims on April 22, 2022. On March 30, 2023, the court denied our motion to dismiss without prejudice, allowing us an opportunity to re-file the motion once limited jurisdictional discovery has been completed. Our renewed motion to dismiss was fully briefed on February 16, 2024. On December 23, 2024, the Court granted our motion to dismiss. The case has been marked closed.

**22. Subsequent Events:**

In January 2025, we granted 212,590 nonqualified stock options, 125,835 shares of restricted stock, and 46,225 PSUs to key employees. The nonqualified stock options and restricted stock have a graded service vesting period of four years. The PSUs granted consisted of 28,822 TSR-based PSUs and 17,403 ROIC-based PSUs.

On February 19, 2025, our Board of Directors approved a cash dividend of $0.45 per share of common stock issued and outstanding, payable on March 31, 2025, to holders of record as of March 14, 2025. Our Board of Directors also approved an additional share repurchase authorization of up to $1.0 billion.

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**Supplementary Financial Information (Unaudited)**

**Schedule II**
**Valuation and Qualifying Accounts and Reserves**
**For the Years Ended December 31, 2024, 2023, and 2022**
**(In millions)**

| Description | Balance at Beginning of Year | Charged to Costs and Expenses (1) | Deductions—Write-offs (2) | Balance at End of Year |
|---|---|---|---|---|
| Year ended December 31, 2024 | | | | |
| Allowance for doubtful accounts | $ 15.1 | $ 13.3 | $ (5.9) | $ 22.5 |
| Valuation allowance for income taxes | $ 5.6 | $ 1.1 | $ (2.5) | $ 4.2 |
| Year ended December 31, 2023 | | | | |
| Allowance for doubtful accounts | $ 14.3 | $ 8.7 | $ (7.9) | $ 15.1 |
| Valuation allowance for income taxes | $ 45.3 | $ 1.2 | $ (40.9) | $ 5.6 |
| Year ended December 31, 2022 | | | | |
| Allowance for doubtful accounts | $ 15.4 | $ 6.4 | $ (7.5) | $ 14.3 |
| Valuation allowance for income taxes | $ 38.3 | $ 41.2 | $ (34.2) | $ 45.3 |

(1) Primarily additional reserves for bad debts

(2) Primarily accounts receivable balances written off, net of recoveries, the expiration of loss carryforwards, and businesses held for sale

**EXHIBIT INDEX**

| Exhibit Number | Description |
|---|---|
| 3.1 | Restated Certificate of Incorporation of Verisk Analytics, Inc. effective May 25, 2022, incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated May 25, 2022. |
| 3.2 | Amended and Restated By-Laws of Verisk Analytics, Inc. effective May 25, 2022, incorporated herein by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K dated May 25, 2022. |
| 4.1 | Form of Common Stock Certificate, incorporated herein by reference to Exhibit 4.1 to Amendment No. 6 to the Company's Registration Statement on Form S-1 dated September 21, 2009. |
| 4.2 | Senior Notes Indenture, dated as of April 6, 2011, among Verisk Analytics, Inc., the guarantors named therein and Wells Fargo Bank, National Association, as Trustee, incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated April 6, 2011. |
| 4.3 | First Supplemental Indenture, dated as of April 6, 2011, among Verisk Analytics, Inc., the guarantors named therein and Wells Fargo Bank, National Association, as Trustee, incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated April 6, 2011. |
| 4.4 | Third Supplemental Indenture, dated as of September 12, 2012, among Verisk Analytics, Inc., the guarantors named therein and Wells Fargo Bank, National Association, as Trustee, incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated September 12, 2012. |
| 4.5 | Fifth Supplemental Indenture, dated as of May 15, 2015, between Verisk Analytics, Inc. and Wells Fargo Bank, National Association, as Trustee, incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated May 15, 2015. |
| 4.6 | Senior Notes Indenture, dated March 6, 2019, among Verisk Analytics, Inc. and Wells Fargo Bank, National Association, as Trustee, incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated March 6, 2019. |
| 4.7 | First Supplemental Indenture, dated March 6, 2019, between Verisk Analytics, Inc. and Wells Fargo Bank, National Association, as Trustee, incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated March 6, 2019. |
| 4.8 | Second Supplemental Indenture, dated May 13, 2020, between Verisk Analytics, Inc. and Wells Fargo Bank, National Association, as Trustee, incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated May 13, 2020. |
| 4.9 | Description of Verisk Analytics, Inc.'s securities registered pursuant to Section 12 of the Securities Exchange Act, incorporated herein by reference to Exhibit 4.9 to the Company's Annual Report on Form 10-K dated February 21, 2024. |
| 4.10 | Third Supplemental Indenture, dated March 7, 2023, between Verisk Analytics, Inc. and Computershare Trust Company, N.A. as successor to Wells Fargo Bank, N.A., as Trustee, incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated March 7, 2023. |
| 4.11 | Fourth Supplemental Indenture, dated June 5, 2024, between Verisk Analytics, Inc. and Computershare Trust Company, N.A. as successor to Wells Fargo Bank, N.A., as Trustee, incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated June 5, 2024. |
| 10.1 | 401(k) Savings Plan and Employee Stock Ownership Plan, incorporated herein by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-1 dated August 12, 2008. |
| 10.2 | Verisk Analytics, Inc. 2009 Equity Incentive Plan, incorporated herein by reference to Exhibit 10.2 to Amendment No. 6 to the Company's Registration Statement on Form S-1 dated September 21, 2009. |
| 10.3 | Form of Letter Agreement, incorporated herein by reference to Exhibit 10.3 to Amendment No. 1 to the Company's Registration Statement on Form S-1 dated October 7, 2008. |
| 10.4 | Form of Master License Agreement and Participation Supplement, incorporated herein by reference to Exhibit 10.4 to Amendment No. 1 to the Company's Registration Statement on Form S-1 dated October 7, 2008. |

| Exhibit Number | Description |
|---|---|
| 10.5 | Schedule of Master License Agreements Substantially Identical in All Material Respects to the Form of Master License Agreement and Participation Supplement, incorporated herein by reference to Exhibit 10.5 to Amendment No. 2 to the Company’s Registration Statement on Form S-1 dated November 20, 2008. |
| 10.6 | Form of Change of Control Severance Agreement, incorporated herein by reference to Exhibit 10.8 to Amendment No. 6 to the Company’s Registration Statement on Form S-1 dated September 21, 2009. |
| 10.7 | Insurance Services Office, Inc. 1996 Incentive Plan and Form of Stock Option Agreement thereunder, incorporated herein by reference to Exhibit 10.9 to Amendment No. 7 to the Company’s Registration Statement on Form S-1 dated September 29, 2009. |
| 10.8 | Form of Stock Option Award Agreement under the Verisk Analytics, Inc. 2009 Equity Incentive Plan, incorporated herein by reference to Exhibit 10.2 to the Company’s Quarterly Report on Form 10-Q dated November 16, 2009. |
| 10.9 | Insurance Services Office, Inc. Supplemental Cash Balance Plan dated January 1, 2009 as amended by the Amendment to the Insurance Services Office, Inc. Supplemental Cash Balance Plan dated February 10, 2012 incorporated by reference to Exhibit 10.12 to the Company's Annual Report on Form 10-K dated February 25, 2014. |
| 10.10 | Insurance Services Office, Inc. Supplemental Executive Retirement Savings Plan dated January 1, 2009 incorporated by reference to Exhibit 10.13 to the Company's Annual Report on Form 10-K dated February 25, 2014. |
| 10.11 | Verisk Analytics, Inc. 2013 Equity Incentive Plan, incorporated herein by reference to Appendix A to the Company's Proxy Statement on Schedule 14A dated April 1, 2013. |
| 10.12 | Form of Stock Option Award Agreement under Verisk Analytics, Inc. 2013 Equity Incentive Plan, incorporated herein by reference to Exhibit 99.2 to Company’s Registration Statement on Form S-8 dated May 15, 2013. |
| 10.13 | Form of Restricted Stock Award Agreement under Verisk Analytics, Inc. 2013 Equity Incentive Plan, incorporated herein by reference to Exhibit 99.3 to Company’s Registration Statement on Form S-8 dated May 15, 2013. |

| Exhibit Number | Description |
|---|---|
| 10.14 | Verisk Analytics, Inc. 2021 Equity Incentive Plan incorporated herein by reference to Appendix B to the Company's Proxy Statement on Schedule 14A dated April 2, 2021. |
| 10.15 | Purchase Agreement, dated as of January 21, 2022, by and among Verisk Analytics, Inc., Tamarack Buyer, L.L.C. and, solely for the limited purpose set forth therein, 3E Company Environmental, Ecological and Engineering, incorporated herein by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K dated January 24, 2022. |
| 10.16 | Verisk Analytics, Inc. Senior Executive Severance Benefits Plan, incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated April 5, 2022. |
| 10.17 | Amendment No. 3 to the Verisk Analytics, Inc. 2012 Employee Stock Purchase Plan, as amended, incorporated herein by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q dated August 2, 2022 |
| 10.18 | Amended and Restated Loan Agreement dated September 9, 2022 among Verisk Analytics, Inc., as borrower, and Bank of America, N.A. as the initial lender and administrative agent, incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated September 15, 2022. |
| 10.19 | Equity Purchase Agreement dated October 28, 2022 by and between Verisk Analytics, Inc. and Planet Jersey Buyer Ltd, incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated October 31, 2022. |
| 10.20 | Form of Confirmation - Fixed Dollar Accelerated Share Repurchase Transaction, incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated March 7, 2023. |
| 10.21 | Fifth Amendment to Second Amended and Restated Credit Agreement dated as of April 5, 2023 among Verisk Analytics, Inc., as borrower, the lenders party thereto, and Bank of America, N.A., as administrative agent. |
| 19.1 | Insider Trading Policy dated February 17, 2021* |
| 21.1 | Subsidiaries of the Registrant.* |
| 23.1 | Consent of Deloitte & Touche LLP.* |
| 31.1 | Certification of the Chief Executive Officer of Verisk Analytics, Inc. pursuant to Rule 13a-14 under the Securities Exchange Act of 1934.* |
| 31.2 | Certification of the Chief Financial Officer of Verisk Analytics, Inc. pursuant to Rule 13a-14 under the Securities Exchange Act of 1934.* |
| 32.1 | Certification of the Chief Executive Officer and Chief Financial Officer of Verisk Analytics, Inc. pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.* |
| 97.1 | Verisk Analytics, Inc. Financial Statement Compensation Recoupment Policy, as amended and restated as of December 16, 2024.* |
| 101.INS | Inline XBRL Instance Document.* |
| 101.SCH | Inline XBRL Taxonomy Extension Schema.* |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase.* |
| 101.DEF | Inline XBRL Taxonomy Definition Linkbase.* |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase.* |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase.* |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).* |

* Filed herewith.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on February 26, 2025.

VERISK ANALYTICS, INC.
(Registrant)

/S/ Lee M. Shavel
**Lee M. Shavel**
***Chief Executive Officer***

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on February 26, 2025.

| Signature | Capacity |
|---|---|
| /S/ LEE M. SHAVEL<br>**Lee M. Shavel** | Chief Executive Officer (principal executive officer and director) |
| /S/ ELIZABETH MANN<br>**Elizabeth Mann** | Chief Financial Officer<br>(principal financial officer) |
| /S/ DAVID J. GROVER<br>**David J. Grover** | Controller and Chief Accounting Officer<br>(principal accounting officer) |
| /S/ BRUCE HANSEN<br>**Bruce Hansen** | Independent Chair |
| /S/ VINCENT BROOKS<br>**Vincent K. Brooks** | Director |
| /S/ JEFFREY DAILEY<br>**Jeffrey Dailey** | Director |
| /S/ GREGORY HENDRICK<br>**Gregory Hendrick** | Director |
| /S/ KATHLEEN A. HOGENSON<br>**Kathleen A. Hogenson** | Director |
| /S/ WENDY LANE<br>**Wendy Lane** | Director |
| /S/ SAMUEL G. LISS<br>**Samuel G. Liss** | Director |
| /S/ OLUMIDE SOROYE<br>**Olumide Soroye** | Director |
| /S/ KIMBERLY S. STEVENSON<br>**Kimberly S. Stevenson** | Director |
| /S/ THERESE M. VAUGHAN<br>**Therese M. Vaughan** | Director |

**Exhibit 23.1**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in Registration Statement Nos. 333-270827, 333-237408, 333-216966, 333-194874 and 333-173135 on Form S-3 and Registration Statement Nos. 333-256332, 333-188629, 333-183476, and 333-165912 on Form S-8 of our reports dated February 26, 2025, relating to the financial statements of Verisk Analytics, Inc., and the effectiveness of Verisk Analytics, Inc.'s internal control over financial reporting, appearing in this Annual Report on Form 10-K for the year ended December 31, 2024.

/s/ Deloitte & Touche LLP
Morristown, New Jersey
February 26, 2025

**Exhibit 31.1**

## CERTIFICATION

I, Lee M. Shavel, certify that:

1. I have reviewed this annual report on Form 10-K of Verisk Analytics, Inc.;

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 registrant'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 registrant 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 registrant, 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 registrant'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 registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant'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 registrant'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.

/s/ Lee M. Shavel

Lee M. Shavel
Chief Executive Officer

Date: February 26, 2025

**Exhibit 31.2**

**CERTIFICATION**

I, Elizabeth D. Mann, certify that:

1. I have reviewed this annual report on Form 10-K of Verisk Analytics, Inc.;

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 registrant’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 registrant 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 registrant, 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 registrant’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 registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’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 registrant’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.

/s/ Elizabeth D. Mann
Elizabeth D. Mann
Chief Financial Officer
(Principal Financial Offer and Fully Authorized Officer)

Date: February 26, 2025

**Exhibit 32.1**

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The certification set forth below is being submitted in connection with the annual report on Form 10-K of Verisk Analytics, Inc. (the "Company") for the year ending December 31, 2024, as filed with the Securities and Exchange Commission (the "Report"), for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Lee M. Shavel, the Chief Executive Officer of the Company, and Elizabeth D. Mann, the Chief Financial Officer of the Company, each hereby certifies that, to the best of his/her knowledge:

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.

/s/ Lee M. Shavel
Lee M. Shavel
Chief Executive Officer

/s/ Elizabeth D. Mann
Elizabeth D. Mann
Chief Financial Officer
(Principal Financial Offer and Duly Authorized Officer)

Date: February 26, 2025

**Verisk Analytics, Inc.**

Amended and Restated as of December 16, 2024

# INCENTIVE COMPENSATION RECOUPMENT POLICY

This Verisk Analytics, Inc. Financial Statement Compensation Recoupment Policy ("**Policy**") has been adopted by the Board of Directors (the "**Board**") of Verisk Analytics, Inc. (the "**Company**") and was initially effective as of December 1, 2023 and has been amended and restated as of December 16, 2024. This Policy provides for the recoupment of certain executive compensation in the event of an accounting restatement resulting from material noncompliance with financial reporting requirements under U.S. federal securities laws and also provides the Board with discretionary authority to recoup certain executive compensation in other circumstances, all in accordance with the terms and conditions set forth herein. In relevant part, this Policy is intended to comply with the requirements of Section 10D of the Exchange Act (as defined below) and Nasdaq Listing Rule 5608.

1. Definitions. For the purposes of this Policy, the following terms shall have the meanings set forth below.

(a) **"Committee**" means the Talent Management and Compensation Committee of the Board.

(b) **"Covered Compensation**" means:

(i) for purposes of the recoupment provisions of Section 2 in the event of a Financial Restatement, any Incentive-based Compensation "received" by a Covered Executive during the applicable Recoupment Period; *provided* that:

i. such Covered Compensation was received by such Covered Executive (A) after the Effective Date, (B) after he or she commenced service as an Executive Officer and (C) while the Company had a class of securities publicly listed on a U.S. national securities exchange; and

ii. such Covered Executive served as an Executive Officer at any time during the performance period applicable to such Incentive-based Compensation.

For purposes of the recoupment provisions of Section 2 in the event of a Financial Restatement, Incentive-based Compensation is "**received**" by a Covered Executive during the fiscal period in which the Financial Reporting Measure applicable to such Incentive-based Compensation (or portion thereof) is attained, even if the payment or grant of such Incentive-based Compensation is made thereafter.

(ii) for purposes of the recoupment provisions of Section 3 in the event of Detrimental Conduct, any Incentive-based Compensation received (meaning, for this purpose, awarded, earned, paid or payable) by a Covered Executive who served as an Executive Officer at the time of the occurrence of the Detrimental Conduct (as defined in Section 1(d) below).

(c) **"Covered Executive**" means any current or former Executive Officer and any member of the Senior Operating Committee of the Company as designated by the Chief Executive Officer of the Company from time to time.

(d) **"Detrimental Conduct**" means:

(i) the commission of an act of fraud, misappropriation or embezzlement in the course of employment;

(ii) the intentional, willful or grossly negligent act or omission in the course of employment which is injurious to the Company;

(iii) the commission of a criminal act, whether or not in the workplace, that in the Committee's sole discretion, constitutes a felony or crime of comparable magnitude that could subject the Company to reputational harm;

(iv) the material violation of a non-compete, non-solicitation, confidentiality or other restrictive covenant agreement; or

(v) the willful and material breach of a Covered Executive's obligations under the Company's Code of Business Conduct and Ethics relating to compliance with law or regulations that would give rise to termination of employment under the Company's employment policies and practices.

(e) **"Effective Date**" means the date on which Nasdaq Listing Rule 5608 or such other listing standards implementing Section 10D of the Exchange Act of the national securities exchange on which the Company's securities are listed become effective.

(f) **"Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended.

(g) **"Executive Officer**" means, with respect to the Company, (i) its president, (ii) its principal financial officer, (iii) its principal accounting officer (or if there is no such accounting officer, its controller), (iv) any vice-president in charge of a principal business unit, division or function (such as sales, administration or finance), (v) any other officer who performs a policy-making function for the Company (including any officer of the Company's parent(s) or subsidiaries if they perform policy-making functions for the Company), and (vi) any other person who performs similar policy-making functions for the Company. Policy-making function is not intended to include policy-making functions that are not significant. The determination as to an individual's status as an Executive Officer shall be made by the Committee and such determination shall be final, conclusive and binding on such individual and all other interested persons.

(h) **"Financial Reporting Measure**" means any (i) measure that is determined and presented in accordance with the accounting principles used in preparing the Company's financial statements (and any measures that are derived wholly or in part from any such measure), (ii) stock price measure or (iii) total shareholder return measure. For the avoidance of doubt, a Financial Reporting Measure does not need to be presented within the Company's financial statements or included in a filing with the U.S. Securities and Exchange Commission.

(i) **“Financial Restatement”** means a restatement of the Company’s financial statements due to the Company’s material noncompliance with any financial reporting requirement under U.S. federal securities laws that is required in order to correct:

(i) an error in previously issued financial statements that is material to the previously issued financial statements; or

(ii) an error that would result in a material misstatement if (A) the error were corrected in the current period or (B) left uncorrected in the current period.

For purposes of this Policy, a Financial Restatement shall not be deemed to occur in the event of a restatement of the Company’s financial statements due to an out-of-period adjustment or a retrospective (1) application of a change in accounting principles; (2) revision to reportable segment information due to a change in the structure of the Company’s internal organization; (3) reclassification due to a discontinued operation; (4) application of a change in reporting entity, such as from a reorganization of entities under common control; or (5) revision for stock splits, reverse stock splits, stock dividends, or other changes in capital structure.

(j) **“Incentive-based Compensation”** means:

(i) for purposes of the recoupment provisions of Section 2 in the event of a Financial Restatement, any compensation (including, for the avoidance of doubt, any cash or equity or equity-based compensation, whether deferred or current) that is granted, earned and/or vested based wholly or in part upon the achievement of a Financial Reporting Measure. For purposes of this Policy, “Incentive-based Compensation” shall also be deemed to include any amounts which were determined based on (or were otherwise calculated by reference to) Incentive-based Compensation (including, without limitation, any amounts under any long-term disability, life insurance or supplemental retirement plan or any notional account that is based on Incentive-based Compensation, as well as any earnings accrued thereon).

(ii) for purposes of the recoupment provisions of Section 3 in the event of Detrimental Conduct, any incentive compensation (including, for the avoidance of doubt, any cash or equity or equity-based compensation, whether deferred or current), including without limitation, any bonus, short-term incentive award or amount, long-term incentive award or amount, including any equity-based awards, including those awards that vest solely based on continued service, such as time-based restricted share awards and options.

(k) “**Nasdaq**” means the Nasdaq Stock Market, or any successor thereof.

(l) **“Recoupment Period”** means the three fiscal years completed immediately preceding the date of any applicable Recoupment Trigger Date. Notwithstanding the foregoing, the Recoupment Period additionally includes any transition period (that results from a change in the Company’s fiscal year) within or immediately following those three completed fiscal years, *provided* that a transition period between the last day of the Company’s previous fiscal year end and the first day of its new fiscal year that compromises a period of nine (9) to twelve (12) months would be deemed a completed fiscal year.

(m) **“Recoupment Trigger Date”** means the earlier of (i) the date that the Board (or a committee thereof or the officer(s) of the Company authorized to take such action if Board action is not required) concludes, or reasonably should have concluded, that the Company is required to prepare a Financial Restatement, and (ii) the date on which a court, regulator or other legally authorized body causes the Company to prepare a Financial Restatement.

2. Recoupment of Erroneously Awarded Compensation in the event of a Financial Restatement.

(a) In the event of a Financial Restatement, if the amount of any Covered Compensation received by a Covered Executive (the “**Awarded Compensation**”) exceeds the amount of such Covered Compensation that would have otherwise been received by such Covered Executive if calculated based on the Financial Restatement (the “**Adjusted Compensation**”), the Company shall reasonably promptly recover from such Covered Executive an amount equal to the excess of the Received Compensation over the Adjusted Compensation, each calculated on a pre-tax basis (such excess amount, the “**Erroneously Awarded Compensation**”), subject to Section 2(b) hereof.

(b) If (i) the Financial Reporting Measure applicable to the relevant Covered Compensation is stock price or total shareholder return (or any measure derived wholly or in part from either of such measures) and (ii) the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in the Financial Restatement, then the amount of Erroneously Awarded Compensation shall be determined (on a pre-tax basis) based on the Company’s reasonable estimate of the effect of the Financial Restatement on the Company’s stock price or total shareholder return (or the derivative measure thereof) upon which such Covered Compensation was received.

(c) For the avoidance of doubt, the Company’s obligation to recover Erroneously Awarded Compensation is not dependent on (i) if or when the restated financial statements are filed; or (ii) any fault of any Covered Executive for the accounting errors or other actions leading to a Financial Restatement.

(d) Notwithstanding anything to the contrary in Sections 2(a) through (c) hereof, the Company shall not be required to recover any Erroneously Awarded Compensation if both (x) the conditions set forth in either of the following clauses (i) or (ii) are satisfied and (y) the Committee (or a majority of the independent directors serving on the Board) has determined that recovery of the Erroneously Awarded Compensation would be impracticable:

(i) the direct expense paid to a third party to assist in enforcing the recovery of the Erroneously Awarded Compensation under this Policy would exceed the amount of such Erroneously Awarded Compensation to be recovered; *provided* that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation pursuant to this Section 2(d), the Company shall have first made a reasonable attempt to recover such Erroneously Awarded Compensation, document such reasonable attempt(s) to make such recovery, and provide that documentation to Nasdaq; or

(ii) recovery of the Erroneously Awarded Compensation would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Sections 401(a)(13) or 411(a) of the U.S. Internal Revenue

Code of 1986, as amended (the "**Code**").

(e) The Company shall not indemnify any Covered Executive, directly or indirectly, for any losses that such Covered Executive may incur in connection with the recovery of Erroneously Awarded Compensation pursuant to this Policy, including through the payment of insurance premiums or gross-up payments.

(f) The Committee shall determine, in its sole discretion, the manner and timing in which any Erroneously Awarded Compensation shall be recovered from a Covered Executive in accordance with applicable law, including, without limitation, by (i) requiring reimbursement of Covered Compensation previously paid in cash; (ii) seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity or equity-based awards; (iii) offsetting the Erroneously Awarded Compensation amount from any compensation otherwise owed by the Company or any of its affiliates to the Covered Executive; (iv) cancelling outstanding vested or unvested equity or equity-based awards; and/or (v) taking any other remedial and recovery action permitted by applicable law. For the avoidance of doubt, except as set forth in Section 2(d), in no event may the Company accept an amount that is less than the amount of Erroneously Awarded Compensation; *provided* that, to the extent necessary to avoid any adverse tax consequences to the Covered Executive pursuant to Section 409A of the Code, any offsets against amounts under any nonqualified deferred compensation plans (as defined under Section 409A of the Code) shall be made in compliance with Section 409A of the Code.

3. Recoupment of Covered Compensation in the event of Detrimental Conduct.

   (a) In the event a Covered Executive engages in Detrimental Conduct that, in the sole discretion of the Committee, is likely to cause or has caused material financial, operational or reputational harm to the Company, including, for the avoidance of doubt, conduct that subjects the Company to liability by any governmental authority, the Company may recover Covered Compensation received by the Covered Executive during and after the period in which such Detrimental Conduct occurred. Detrimental Conduct subject to this Policy must have occurred within the three years preceding the date on which the Committee determines that Detrimental Conduct has occurred.

   (b) In the event of recoupment due to Detrimental Conduct, the Committee in its sole discretion shall determine the amount of the Covered Compensation to be recovered, up to and based upon the Covered Executive's relative degree of fault or involvement, the impact of the conduct on the Company, the magnitude of any loss caused and any other relevant facts and circumstances that the Committee may consider.

4. Administration. This Policy shall be administered by the Committee. All decisions of the Committee shall be final, conclusive and binding upon the Company and the Covered Executives, their beneficiaries, executors, administrators and any other legal representative. The Committee shall have full power and authority to (i) administer and interpret this Policy, (ii) correct any defect, supply any omission, and reconcile any inconsistency in this Policy and (iii) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of this Policy and to comply with applicable law (including Section 10D of the Exchange Act) and applicable stock market or exchange rules and regulations. Notwithstanding anything to the contrary contained herein, to the extent permitted by Section 10D of the Exchange Act and Nasdaq Listing Rule 5608 the Board may, in its sole discretion, at any time and from time to time, administer this Policy in the same manner as the Committee.

5. Amendment/Termination. Subject to Section 10D of the Exchange Act and Nasdaq Listing Rule 5608, this Policy may be amended or terminated by the Committee at any time. To the extent that any applicable law, or stock market or exchange rules or regulations require recovery of Erroneously Awarded Compensation in circumstances in addition to those specified herein, nothing in this Policy shall be deemed to limit or restrict the right or obligation of the Company to recover Erroneously Awarded Compensation to the fullest extent required by such applicable law, stock market or exchange rules and regulations. Unless otherwise required by applicable law, this Policy shall no longer be effective from and after the date that the Company no longer has a class of securities publicly listed on a United States national securities exchange.

6. Interpretation. Notwithstanding anything to the contrary herein, the recoupment provisions related to a Financial Restatement within this Policy are intended to comply with the requirements of Section 10D of the Exchange Act and Nasdaq Listing Rule 5608 (and any applicable regulations, administrative interpretations or stock market or exchange rules and regulations adopted in connection therewith), and the provisions of this Policy shall be interpreted in a manner that satisfies such requirements, and this Policy shall be operated accordingly. If any provision of this Policy would otherwise frustrate or conflict with this intent, the provision shall be interpreted and deemed amended so as to avoid such conflict.

7. Other Compensation Clawback/Recoupment Rights. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies, rights or requirements with respect to the clawback or recoupment of any compensation that may be available to the Company pursuant to the terms of any other recoupment or clawback policy of the Company (or any of its affiliates) that may be in effect from time to time, any provisions in any employment agreement, offer letter, equity plan, equity award agreement or similar plan or agreement, and any other legal remedies available to the Company, as well as applicable law, stock market or exchange rules, listing standards or regulations; provided, however, that any amounts recouped or clawed back under any other policy that would be recoupable under this Policy shall count toward any required clawback or recoupment under this Policy and vice versa.

8. Miscellaneous.

   (a) Any applicable award agreement or other document setting forth the terms and conditions of any compensation covered by this Policy shall be deemed to include the restrictions imposed herein and incorporate this Policy by reference and, in the event of any inconsistency, the terms of this Policy will govern. For the avoidance of doubt, this Policy applies to all compensation that is received on or after the Effective Date, regardless of the date on which the award agreement or other document setting forth the terms and conditions of the Covered Executive's compensation became effective, including, without limitation, compensation received under the Verisk Analytics, Inc. 2021 Equity Incentive Plan and any successor or predecessor plan thereto.

   (b) This Policy shall be binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives.

   (c) All issues concerning the construction, validity, enforcement and interpretation of this Policy and all related documents, including, without limitation, any employment agreement, offer letter, equity award agreement or similar agreement, shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

(d) The Covered Executives, their beneficiaries, executors, administrators and any other legal representative and the Company shall initially attempt to resolve all claims, disputes or controversies arising under, out of or in connection with this Policy by conducting good faith negotiations amongst themselves. To ensure the timely and economical resolution of disputes that arise in connection with this Policy, any and all disputes, claims or causes of action arising from or relating to the enforcement, performance or interpretation of this Policy shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration, by a single arbitrator, in New York, New York, conducted by Judicial Arbitration and Mediation Services, Inc. ("**JAMS**") under the applicable JAMS rules. To the fullest extent permitted by law, the Covered Executives, their beneficiaries, executors, administrators and any other legal representative and the Company, shall waive (and shall hereby be deemed to have waived) (1) the right to resolve any such dispute through a trial by jury or judge or administrative proceeding; and (2) any objection to arbitration taking place in New York, New York. The arbitrator shall (i) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (ii) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The arbitrator shall be authorized to award any or all remedies that any party would be entitled to seek in a court of law. Any such award rendered shall be enforceable by any court having jurisdiction and, to the fullest extent permitted by law, the Covered Executives, their beneficiaries, executors, administrators and any other legal representative and the Company shall waive (and shall hereby be deemed to have waived) the right to resolve any such dispute regarding enforcement of such award through a trial by jury.

(e) If any provision of this Policy is determined to be unenforceable or invalid under any applicable law, such provision will be applied to the maximum extent permitted by applicable law and shall automatically be deemed amended in a manner consistent with its objectives to the extent necessary to conform to any limitations required under applicable law.

# Statement of Policy Concerning Trading Policies

**Revised February 17, 2021**



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## I. Summary of the Company Policy Concerning Trading Policies

It is Verisk Analytics, Inc. and its subsidiaries' (collectively, the "Company") policy that it will without exception comply with all applicable laws and regulations in conducting its business. Each employee and each director is expected to abide by this policy. When carrying out Company business, employees, and directors must avoid any activity that violates applicable laws or regulations. In order to avoid even an appearance of impropriety, the Company's directors, officers, and certain other employees are subject to pre-approval requirements and other limitations on their ability to enter into transactions involving the Company's securities. Although these limitations do not apply to transactions pursuant to written plans for trading securities that comply with Rule 10b5-1 promulgated under the Securities Exchange Act of 1934, the entry into, amendment or termination of any such written trading plan is subject to pre-approval requirements and other limitations.

## II. The Use of Inside Information in Connection with Trading in Securities

### A. General Rule

The U.S. securities laws regulate the sale and purchase of securities in the interest of protecting the investing public. U.S. securities laws give the Company, its officers and directors, and other employees the responsibility to ensure that information about the Company is not used unlawfully in the purchase and sale of securities.

All employees and directors should pay particularly close attention to the laws against trading on "inside" information. These laws are based upon the belief that all persons trading in a company's securities should have equal access to all "material" information about that company. For example, if an employee or a director of a company knows material non-public financial information, that employee or director is prohibited from buying or selling stock in the company until the information has been disclosed to the public. This is because the employee or director knows information that will probably cause the stock price to change, and it would be unfair for the employee or director to have an advantage (knowledge that the stock price will change) that the rest of the investing public does not have. In fact, it is more than unfair; it is considered to be fraudulent and illegal. Civil and criminal penalties for this kind of activity are severe.

The general rule can be stated as follows: It is a violation of the federal securities laws for any person to buy, sell or hold securities if he or she is in possession of material inside information. Information is material if there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision. It is inside information if it has not been publicly disclosed in a manner making it available to investors generally on a broad-based, non-exclusionary basis. Furthermore, it is illegal for any person in possession of material inside information to provide other people with such information or to recommend that they buy, sell or hold the securities. (This is called "tipping.") In that case, they may both be held liable.

The Securities and Exchange Commission (the "SEC"), the stock exchanges and plaintiffs' lawyers focus on uncovering insider trading. A breach of the insider trading laws could expose the insider to criminal fines up to three times the profits earned and imprisonment up to ten years, in addition to civil penalties (up to three times of the profits earned), and injunctive actions. In addition, punitive damages may be imposed under applicable state laws. Securities laws also subject controlling persons to civil penalties for illegal insider trading by employees, including employees located outside the United States. Controlling persons include directors, officers, and

supervisors. These persons may be subject to fines up to the greater of $1,000,000 or three times profit (or loss avoided) by the insider trader.

Inside information does not belong to the individual directors, officers, or other employees who may handle it or otherwise become knowledgeable about it. It is an asset of the Company. For any person to use such information for personal benefit or to disclose it to others outside the Company violates the Company's interests. More particularly, in connection with trading in the Company securities, it is a fraud against members of the investing public and against the Company.

### B. To Whom Does the Policy Apply?

The prohibition against trading on inside information applies to directors, officers, all other employees, and to other people who gain access to that information. The prohibition applies to both domestic and international employees of the Company and its subsidiaries. Company policy subjects its directors and certain employees (the "Window Group") to additional restrictions on trading in the Company securities, because of their access to confidential information on a regular basis. The restrictions for the Window Group are discussed in Section G below. In addition, directors and certain employees with inside knowledge of material information may be subject to ad hoc restrictions on trading from time to time.

### C. Other Companies' Stocks

Employees and directors who learn material information about suppliers, customers, or competitors through their work at the Company, should keep it confidential and not buy or sell stock in such companies until the information becomes public. Employees and directors should not give tips about such stocks.

**D. No Trading in Options**

The insider trading prohibition also applies to trading in options, such as put and call options. Options trading is highly speculative and very risky. People who buy options are betting that the stock price will move rapidly. For that reason, when a person trades in options in his or her employer's stock, it will arouse suspicion in the eyes of the SEC that the person was trading on the basis of inside information, particularly where the trading occurs before a Company announcement or major event. It is difficult for an employee or director to prove that he or she did not know about the announcement or event.

If the SEC or the stock exchanges were to notice active options trading by one or more employees or directors of the Company prior to an announcement, they would investigate. Such an investigation could be embarrassing to the Company (as well as expensive) and could result in severe penalties and expense for the persons involved. For all of these reasons, the Company prohibits its employees and directors from trading in options on the Company stock and from trading in over-the-counter option products relating to the Companies' securities. This policy does not pertain to employee stock options granted by the Company. Employee stock options cannot be traded.

**E. No Pledging or Margin Accounts**

Securities held in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Securities pledged as collateral for a loan may be taken and sold upon default on an obligation to repay debt. Because such sales may occur at a time when an employee or a director has material

inside information or is otherwise not permitted to trade in Company securities, the Company prohibits employees and directors from purchasing Company securities on margin or holding Company securities in a margin account.

**F. No Hedging**

Hedging or monetizing transactions to lock in the value of holdings of Company stock potentially separate the holder's interests from those of other shareholders by allowing the holder to own Company stock without the full risks and rewards of ownership. No director, officer or employee of the Company, may, at any time, purchase financial instruments, including prepaid variable forward contracts, instruments for the short sale or purchase or sale of call or put options, equity swaps, collars, or units of exchangeable funds, that are designed to, or that may reasonably be expected to, have the effect of hedging or offsetting a decrease in the market value of any securities of the Company.

**G. Guidelines**

The following guidelines should be followed in order to ensure compliance with applicable antifraud laws and with the Company's policies:

1. Nondisclosure

Material inside information must not be disclosed to anyone, except to persons within the Company whose positions require them to know it.

2. Trading in the Company Securities

No employee or director should place a purchase or sale order, or recommend that another person place a purchase or sale order in the Company's securities when he or she has knowledge of material information concerning the Company that has not been disclosed to the public. This includes orders for purchases and sales of stock and convertible securities. The exercise of employee stock options is not subject to this policy. However, stock that was acquired upon exercise of a stock option will be treated like any other stock, and may not be sold by an employee who is in possession of material inside information. Any employee or director who possesses material inside information should wait until the start of the third business days after the information has been publicly released before trading.

3. Avoid Speculation

Investing in the Company's Common Stock provides an opportunity to share in the future growth of the Company. But investment in the Company and sharing in the growth of the Company does not mean short range speculation based on fluctuations in the market. Such activities put the personal gain of the employee or director in conflict with the best interests of the Company and its stockholders. Although this policy does not mean that employees or directors may never sell shares, the Company encourages employees and directors to avoid frequent trading in Company stock. Speculating in Company stock is not consistent with the Company culture.

4. Trading in Other Securities

No employee or director should place a purchase or sale order, or recommend that another person place a purchase or sale order, in the securities of another corporation, if the employee or director learns in the course of his or her employment confidential information about the other corporation that is likely to affect the value of those securities. For example, it would be a violation of the securities laws if an employee or director learned through

Company sources that the Company intended to purchase assets from a company, and then placed an order to buy or sell stock in that other company.

5. Restrictions on the Window Group

The Window Group consists of (i) directors and executive officers of the Company and their assistants and household members; (ii) the Controller, Assistant Controller; and (iii) such other persons as may be designated from time to time and informed of such status by the Company's General Counsel.

All persons in the Window Group are subject to the following restrictions on trading in Company securities:

- trading permitted from the start of the third business day following an earnings release with respect to the preceding fiscal period until the fifteenth calendar day of the last month of the then current fiscal quarter (the "Window"), subject to the restrictions below

- no trading outside the Window except for reasons of exceptional personal hardship and subject to prior review by the Chief Executive Officer and the General Counsel; provided that, if one of these individuals wishes to trade outside the Window, it shall be subject to prior review by the other and the Chair of the Nominating and Corporate Governance Committee

- all individuals in the Window Group are also subject to the general restrictions on all employees

Certain persons in the Window Group, including Directors, Executive Officers and such other persons as may be designated from time to time and informed of such status by the Company's General Counsel are subject to the following restrictions on trading in Company securities:

- all trades subject to prior review

- clearance for all trades must be obtained from the Company's General Counsel or the General Counsel's designee and such clearance will be effective for a period of up to three business days

Note that at times the General Counsel may determine that no trades may occur even during the Window when clearance is requested. No reasons may be provided and the closing of the Window itself and/or the denial of permission to trade may constitute material inside information that should not be communicated.

The foregoing Window Group restrictions do not apply to transactions pursuant to written plans for trading securities that comply with Rule 10b5-1 promulgated under the Securities Exchange Act of 1934 ("10b5-1 Plans"). However, Window Group members may not enter into, amend or terminate a 10b5-1 Plan relating to Company securities without the prior approval of the General Counsel. The General Counsel will only give such permission during a Window period assuming that the 10b5-1 Plan otherwise meets approval.

**H. Applicability of U.S. Securities Laws to International Transactions**

All employees of the Company's subsidiaries are subject to the restrictions on trading in the Company securities and the securities of other companies. The U.S. securities laws may be applicable to the securities of the Company's subsidiaries or affiliates, even if they are located outside the United States. Transactions involving securities of subsidiaries or affiliates should be carefully reviewed by counsel for compliance not only with local law but also for possible application of U.S. securities laws.

## III. Other Limitations on Securities Transactions

**A. Public Resales – Rule 144**

The Securities Act of 1933 ("1933 Act") requires every person who offers or sells a security to register such transaction with the SEC unless an exemption from registration is available. Rule 144 under the 1933 Act is the exemption typically relied upon (i) for public resales by any person of "restricted securities" (i.e., securities acquired in a private offering); and (ii) for public resales by officers, directors, and other control persons of a company (known as "affiliates") of any of the Company's securities, whether restricted or unrestricted.

Rule 144 contains five conditions, although the applicability of some of these conditions will depend on the circumstances of the sale:

1. Current Public Information

Current information about the Company must be publicly available at the time of sale. The Company's periodic reports filed with the SEC ordinarily satisfy this requirement.

2. Holding Period

Restricted securities must be held and fully paid for by the seller for a period of at least six months prior to the sale. The holding period requirement, however, does not apply to securities held by affiliates that were acquired either in the open market or in a public offering of securities registered under the 1933 Act because they are not restricted securities. If the seller acquired the securities privately from someone other than the Company or an affiliate of the Company, the holding period of the person from whom the seller acquired such securities can be "tacked" to the seller's holding period in determining if the six-month requirement has been satisfied.

3. Volume Limitations

The amount of securities that can be sold during any three-month period cannot exceed the greater of (i) one percent of the outstanding shares of the class or (ii) the average weekly reported trading volume for shares of the class during the four calendar weeks preceding the filing of the notice of sale referred to below.

4. Manner of Sale

The securities must be sold in certain riskless principal transactions and unsolicited brokers' transactions or directly to a market-maker.

5. Notice of Sale

The seller must file a notice of the proposed sale with the SEC at the time the order to sell is placed with the broker, unless the amount to be sold neither exceeds 5,000 shares nor involves sale proceeds greater than $50,000. See "Filing Requirements."

The foregoing conditions do not have to be complied with by holders of restricted securities who have held (and fully paid for) their restricted shares for at least six months and who were not affiliates during the three months preceding the sale under the rule, subject to the satisfaction of the current public information condition described above.

Bona fide gifts are not deemed to involve sales of stock for purposes of Rule 144, so they can be made at any time without limitation on the amount of the gift. Donees who receive restricted securities from an affiliate generally will be subject to the same restrictions under Rule 144 that would have applied to the donor for a period of up to one year following the gift, depending on the circumstances.

### B. Private Resales

Directors and officers also may sell securities in a private transaction without registration. Although there is no statutory provision or SEC rule expressly dealing with private sales, the general view is that such sales can safely be made by affiliates if the party acquiring the securities understands he is acquiring restricted securities that must be held for at least one year before the securities will be eligible for resale to the public under Rule 144. Private resales raise certain documentation and other issues and must be reviewed in advance by the Company's General Counsel.

### C. Restrictions on Purchases of Company Securities

In order to prevent market manipulation, the SEC has adopted Regulation M under the 1934 Act. Regulation M generally prohibits the Company or any of its affiliates from buying Company stock in the open market during certain periods while a public offering is taking place. Regulation M sets forth guidelines for purchases of Company stock by the Company or its affiliates while a stock buyback program is occurring. You should consult with the Company's General Counsel, if you desire to make purchases of Company stock during any period that the Company is making a public offering or buying stock from the public.

### D. Disgorgement of Profits on Short-Swing Transactions – Section 16(b)

Section 16 of the 1934 Act applies to directors and officers of the Company and to any person owning more than ten percent of any registered class of the Company's equity securities. The section is intended to deter such persons (collectively referred to below as "insiders") from misusing confidential information about their companies for personal trading gain. Section 16(a) requires insiders to publicly disclose any changes in their beneficial ownership of the Company's equity securities (see "Filing Requirements", below). Section 16(b) requires insiders to disgorge to the Company any "profit" resulting from "short- swing" trades, as discussed more fully below. Section 16(c) effectively prohibits insiders from engaging in short sales (see "Prohibition of Short Sales," below).

Under Section 16(b), any profit realized by an insider on a "short-swing" transaction (i.e., a purchase and sale, or sale and purchase, of the Company's equity securities within a period of less than six months) must be disgorged to the Company upon demand by the Company or a stockholder acting on its behalf. By law, the Company cannot waive or release any claim it may have under Section 16(b), or enter into an enforceable agreement to provide indemnification for amounts recovered under the section.

Liability under Section 16(b) is imposed in a mechanical fashion without regard to whether the insider intended to violate the section. Good faith, therefore, is not a defense. All that is necessary for a successful claim is to show that the insider realized "profits" on a short-swing transaction; however, profit, for this purpose, is calculated as the difference between the sale price and the purchase price in the matching transactions, and may be unrelated to the actual gain on the shares sold. When computing recoverable profits on multiple purchases and sales within a six month period, the courts maximize the recovery by matching the lowest purchase price with the highest sale price, the next lowest purchase price with the next highest sale price, and so on. The use of this method makes it possible for an insider to sustain a net economic loss on a series of transactions while having recoverable "profits" for Section 16(b).

The terms "purchase" and "sale" are construed under Section 16(b) to cover a broad range of transactions, including acquisitions and dispositions in tender offers and certain corporate reorganizations. Moreover, purchases and sales by an insider may be matched with transactions by any person (such as certain family members) whose securities are deemed to be beneficially owned by the insider.

The Section 16 rules are complicated and present ample opportunity for inadvertent error. To avoid unnecessary costs and potential embarrassment for insiders and the Company, officers and directors are strongly urged to consult with the Company's General Counsel, prior to engaging in any transaction or other transfer of Company equity securities, regarding the potential applicability of Section 16(b).

### E. Prohibition of Short Sales

Under Section 16(c), insiders are prohibited from effecting "short sales" of the Company's equity securities. A "short sale" is one involving securities that the seller does not own at the time of sale, or, if owned, are not delivered within 20 days after the sale or deposited in the mail or other usual channels of transportation within five days after the sale. Wholly apart from Section 16(c), the Company prohibits directors and employees from selling the Company's stock short. This type of activity is inherently speculative in nature and is contrary to the best interests of the Company and its shareholders.

## F. Filing Requirements

1. Form 3, 4 and 5

Under Section 16(a) of the 1934 Act, insiders must file with the SEC public reports disclosing their holdings of and transactions involving the Company's equity securities. Copies of these reports must also be submitted to the Company. An initial report on Form 3 must be filed by every insider within 10 days after election or appointment disclosing all equity securities of the Company beneficially owned by the reporting person on the date they became an insider. Even if no securities were owned on that date, the insider must file a report. Form 3 for officers and directors in place at the time of the IPO are due on the date that the offering goes effective. Any subsequent change in the nature or amount of beneficial ownership by the insider must be reported on Form 4 and filed by the end of the second business day following the date of the transaction. Certain exempt transactions may be reported on Form 5 within 45 days after the end of the fiscal year.

All changes in the amount or the form (i.e. direct or indirect) of beneficial ownership (not just purchases and sales) must be reported. Thus, such transactions as gifts and stock dividends ordinarily are reportable. Moreover, an officer or director who has ceased to be an officer or director must report any transactions after termination that occurred within six months of a transaction that occurred while the person was an insider.

The reports under Section 16(a) are intended to cover all securities beneficially owned either directly by the insider or indirectly through others. An insider is considered the direct owner of all Company equity securities held in his or her own name or held jointly with others. An insider is considered the indirect owner of any securities from which he obtains benefits substantially equivalent to those of ownership. Thus, equity securities of the Company beneficially owned through partnerships, corporations, trusts, estates, and by family members generally are subject

to reporting. Absent countervailing facts, an insider is presumed to be the beneficial owner of securities held by his or her spouse and other family members sharing the same home. But an insider is free to disclaim beneficial ownership of these or any other securities being reported if the insider believes there is a reasonable basis for doing so.

It is important that reports under Section 16(a) be prepared properly and filed on a timely basis. The reports must be received at the SEC by the filing deadline. There is no provision for an extension of the filing deadlines, and the SEC can take enforcement action against insiders who do not comply fully with the filing requirements. In addition, the Company is required to disclose in its annual proxy statement the names of insiders who failed to file Section 16(a) reports properly during the fiscal year, along with the particulars of such instances of noncompliance.
Accordingly, all directors and officers must notify the Company's General Counsel, prior to any transactions or changes in their or their family members' beneficial ownership involving Company stock and are strongly encouraged to avail themselves of the assistance available from the General Counsel's office in satisfying the reporting requirements.

2. Schedule 13D and 13G

Section 13(d) of the 1934 Act requires the filing of a statement on Schedule 13D (or on Schedule 13G, in certain limited circumstances) by any person or group that acquires beneficial ownership of more than five percent of a class of equity securities registered under the 1934 Act. The threshold for reporting is met if the stock owned, when coupled with the amount of stock subject to options exercisable within 60 days, exceeds the five percent limit.

A report on Schedule 13D is required to be filed with the SEC and submitted to the Company within ten days after the reporting threshold is reached. If a material change occurs in the facts set forth in the Schedule 13D, such as an increase or decrease of one percent or more in the percentage of stock beneficially owned, an amendment disclosing the change must be filed promptly. A decrease in beneficial ownership to less than five percent is per se material and must be reported.

A person is deemed the beneficial owner of securities for purposes of Section 13(d) if such person has or shares voting power (i.e., the power to vote or direct the voting of the securities) or dispositive power (i.e., the power to sell or direct the sale of the securities). As is true under Section 16(a) of the 1934 Act, a person filing a Schedule 13D may disclaim beneficial ownership of any securities attributed to him or her if he or she believes there is a reasonable basis for doing so.

3. Form 144

As described above under the discussion of Rule 144, a seller relying on Rule 144 must file a notice of proposed sale with the SEC at the time the order to sell is placed with the broker unless (x) the amount to be sold during any period of three months neither exceeds 5,000 shares nor involves sale proceeds greater than $50,000 or (y) the seller is not at the time of the sale, and has not been for the three months preceding such date, an affiliate of the Company.