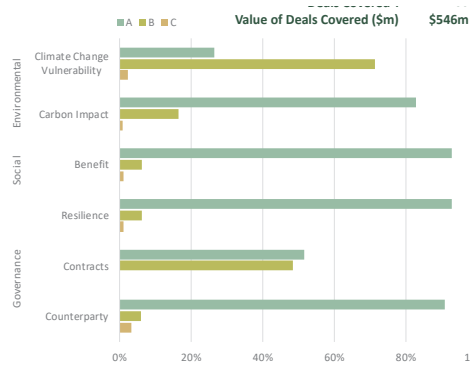


IST INSURANCE LINKED STRATEGIES USD

IST Portfolio

Portfolio Manager: Securis Investment Partners
 SFDR Category²: Art. 6
 Investment strategy: Active

^{1,2} SFDR: The Sustainable Finance Disclosure Regulation is a European regulation introduced to improve transparency in the market for sustainable investment products. <https://www.eurosif.org/policies/sfdr/>



Observations

- Portfolio is predominantly exposed to hurricane risk; leads to a B score but this is mitigated through our modelling adjustments.
- Impact on the Environment with small proportion of B scores driven by some of the retro transactions.
- High scores across Social representing investment draw-downs going towards rebuilding post-catastrophe.
- Transaction documentation is improving for private investments, bond issuances have a higher standard.
- Counterparties are well-established carrying limited Governance risks.

Portfolio Manager applies an own scoring methodology to measure ESG risks: A: positive; B: neutral; C: negative

Applied ESG Approaches

Exclusion

Not applicable

Proxy Voting

Not applicable

Engagement

Not applicable

ESG Integration



Yes. ESG factors are included in the investment proposals for non-life investment and included in investment committee agenda points for life and non-life. ESG factors affecting financial analysis are:

- Climate change risk
- Counterparty governance
- Contractual terms

Best-in-Class

Not applicable

Thematic/Impact Investing

Not applicable

Portfolio manager: Securis Investment Partners

Facts & figures

Assets under management	USD 3.8 bn
Whereof in sustainable investment strategies	USD 3.8 bn
Number of inv. profess.	26
Whereof dedicated to ESG	None
Signatory to UNPRI	Yes
UNPRI rating	A
Memberships (selection only):	
<ul style="list-style-type: none"> Standards Board for Alternative Investments (SBAI) UK Stewardship code Modern Slavery Act Statement 	

Consultant/ Partnerships

- Northpeak Advisory (during UNPRI 2021 reporting cycle)

Carbon Strategy

This metric is currently not quantified.

Voting Activity

Not applicable (no investment in assets with voting rights)

Engagement

Not applicable

ESG Corporate Policy

Securis is a leading independent specialist ILS manager with a global presence and 15-year track record. Securis has built an institutional quality platform with clearly defined principles, core values and visions that are essential to the foundation of the company and key drivers of value and sustainability in our business. Underpinning everything we do is a culture driven by integrity and governance, innovation and collaboration, diversity and empowerment which enables us to retain our most valuable resource – our people.

Securis acknowledges the importance of embedding environmental, social responsibility and corporate governance factors into our corporate operational framework, ethics and culture. Our aim is to align our principles with those of our investors through a diligent and responsible approach to Environmental, Social and Governance considerations at both an investment and corporate level.

ESG Investment Policy

Insurance products are designed to help individuals and society recover from disasters and to build resilience from catastrophic events. ILS instruments enable investors to access pure insurance risk through a fund product, in an asset class which inherently provides positive impacts for society.

We believe it is important to recognise the Environmental, Social, and Governance related risks to our investments and the impact our investments may have on the world. Securis considers ESG sustainability criteria as part of the investment decision framework, however Securis does not manage specific ESG Funds and as such does not consider the adverse impacts of our investment decisions on sustainability factors as part of the investment process.

Much of the non-life portfolio is exposed to climate-related risks and specifically to extreme weather events. Rises in sea levels have already been observed and are expected to continue; this may increase the propensity of flooding events, particularly from hurricane-induced storm surge events.

The ILS market and wider property catastrophe re/insurance industry sector is uniquely positioned to quantify the risk with sophisticated approaches to scenario modelling and stress testing. As conditions change, Securis is continuously updating the modelling framework and pricing analysis to reflect our current view of risk. Private reinsurance contracts are typically renewed annually which enables re-evaluation of both the risk modelling and pricing. The environmental score will assess the extent to which an investment is exposed to risks affected by climate change.

Access to affordable insurance is fundamental to a well-functioning economy and the infrastructure of society. A number of recent natural catastrophes have highlighted the insurance penetration gap, both in developed economies and in less well-developed parts of the world.

The life business supports life and health insurance companies with their capital and financing requirements. Our life investments include structuring effective capital markets solutions to help the global pension system with its huge derisking challenges. In a world facing a significant life and health insurance protection gap, we play a key role in supporting small and medium size insurance companies in their growth process, to help them provide their products to more policyholders.

<https://securisinvestments.com/esg/>

Source: IST, Securis Investment Partners, MSCI; as of 30.06.2022