

ClimateWise
2025

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ClimateWise Submission

The report covers the climate risk-related activities of the Convex Group and covers the period from August 2024 through to submission on 1st August 2025. The principal entity referred to throughout the report is CGL ('Convex Group Ltd'), with some reference to CIL (Convex Insurance Ltd).

Convex Group

Convex is a property and casualty insurance and reinsurance firm launched in April 2019 and founded by Stephen Catlin and Paul Brand. It occupies a unique position in the Insurance industry combining unrivalled experience, reputation and a strong balance sheet. It launched with an initial capitalisation of \$1.7bn, rising to over \$3.2bn following a further capital raise in January 2021. Convex entered the Lloyd's market on 1 April 2025 via its new Syndicate 1984 at Lloyd's.

The Convex Group is comprised of:

- Convex Group Limited ("CGL" or "the Group"): a Bermuda exempted company limited by shares and incorporated on 24 October 2018;
- Convex Re Limited ("CRL"): a wholly-owned (re)insurance company subsidiary of CGL, located in Bermuda, authorised and regulated by the Bermuda Monetary Authority ("BMA") since 29 April 2019;
- Convex Insurance UK Limited ("CIL"): a wholly-owned (re)insurance company subsidiary of CRL based in the UK and authorised by the Prudential Regulation Authority ("PRA") and regulated by the Financial Conduct Authority ("FCA") and the PRA since 30 April 2019;
- Convex Europe S.A. ("CES"): a wholly-owned subsidiary of CIL authorised and regulated by the Commissariat aux Assurances ("CAA") since 15 September 2021;
- Convex Europe S.A. ("CES"): a wholly-owned (re) insurance company subsidiary of CIL authorised and regulated by the Commissariat aux Assurances ("CAA") since 15 September 2021;
- Convex North America Insurance Services LLC ("CNAIS"): a wholly-owned subsidiary of CIL, based in the US and regulated by New Jersey as its resident state for various insurance intermediary licensing purposes since August 2021 as well as other various state insurance departments where CNAIS holds various non-resident insurance intermediary licences;
- Convex UK Services Limited ("CSL"): a wholly-owned service company subsidiary of CGL, incorporated in the UK on 15 February 2019;
- Convex Corporate Services Limited ("CCSL"): a wholly-owned subsidiary of CGL, incorporated in the UK on 9 May 2025 as services provider to Syndicate 1984 at Lloyd's.

Introduction

At Convex, we recognise the importance of disclosing on climate and nature-related topics and are therefore pleased to present our 4th annual ClimateWise report. We believe that the ClimateWise principles provide a valuable framework for guiding our industry's disclosures and are supportive of the refreshed principles, which we are reporting against for the second year. The revised principles have been built upon the ISSB (International Sustainability Standards Board) framework and incorporate enhanced disclosure requirements, including the Corporate Sustainability Reporting Directive (CSRD) and the Taskforce on Nature-related Financial Disclosures (TNFD), broadening the scope and raising the standard of our disclosures. Our support of ClimateWise continues to be strong; Convex Executive Chair, Stephen Catlin, has been a ClimateWise Council member since its origin, and our Group Head of Sustainability (HoS), Rachel Delhaise, is an active member of the ClimateWise Management Committee.

Over the past year, we have made significant progress in developing our sustainability initiatives and addressing climate and nature-related risks, impacts and opportunities. We have enhanced our framework for managing climate and nature risks, ensuring they are systematically identified, thoroughly evaluated, and integrated into our decision-making. We have expanded our support for impact investments, committing to several new funds that align with our core themes of climate and environmental sustainability, infrastructure resilience, social development, and technological innovation. Our underwriting support for advancing the green transition has continued, including the development of a new, innovative Carbon Capture and Storage product. These advancements underscore our unwavering commitment to integrating sustainability into our core operations, driving positive change, and contributing to a resilient and sustainable future.

Our commitment to supporting environmental research, a long personal focus of Stephen Catlin, has continued with this year marking the completion of the third year of the Convex Seascope Survey (CSS) a global, five year research programme into carbon stored in the seascape. Having passed the halfway point, the project is at an exciting intersection where model refinement, fieldwork, and data analyses continue apace, but we are also beginning to see scientific milestones reached as the first papers are published. As our research has progressed, the survey's profile has grown, with frequent coverage in top-tier publications and over 750,000 learners engaging with our education programme to date, all building awareness of the ocean as our greatest climate ally.

This engagement with both the business community in which we operate and the broader public is an important aspect of our strategy, aiming to encourage understanding around the impacts of climate change and nature risks. We have an active engagement plan which has seen our Head of Sustainability participate in a number of climate and nature related panel discussions, including presenting the Convex Seascope Survey UN Ocean Conference in Nice.



SDG 3

Good Health and Well-Being

We underline the importance of wellbeing, both physical and mental, to our employees and wider society through a number of initiatives as outlined in the People section of this report.



SDG 9

Industry, Innovation and Infrastructure

The deployment of our capital, our expertise and our progressive use of technology and innovation help advance SDG 9 and are crucial to our work in supporting the transition to a low carbon economy.



SDG 5

Gender Equality

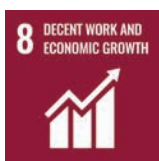
We recognise the need for improved gender equality in the insurance sector as well as more broadly within society, and have a number of initiatives targeting this as detailed in the People section.



SDG 13

Climate Action

As a global insurer, we are fully cognisant of not only the risks but also the opportunities entailed in the transition to Net Zero. We are well positioned to support industries and solutions towards transition.



SDG 8

Decent Work and Economic Growth

We are building a resilient, sustainable business and in so doing respect the responsibilities we have as an employer and as a corporate citizen.



SDG 14

Life Below Water

Our Convex Seascape Survey seeks to quantify the role of the coastal seascape in the global carbon cycle to inform this critically overlooked area.

Convex Values

Our values are at the core of our business proposition and underpin all aspects of our work.
At Convex we live our values in every facet of our business.



Earn our reputation

Everything we do affects how others see us. Our success depends upon our reputation, for which all of us share responsibility.



Straightforward and fair

We tell it like it is, with fairness, dignity and respect. We strive to do the right thing always, however hard it seems.



Determined to improve

However good we are, we are not complacent. We know we can always be better and we never stop trying to improve.



Inspired by opportunity

We come to the market and to every client engagement without baggage. There is no limit to what we can achieve together.



Enjoy being different

We feel positive about change and we are not afraid to try new things in our quest for a better way for clients, stakeholders and colleagues to do business.

ClimateWise Principles 2025

Principle	Theme	Reference	Sub-Principle
1. Steering Transition	Governance	1.1	Ensure that our Board has oversight of climate- and nature-related risk and opportunity management, including any transition plans.
		1.2	Ensure that our senior management has responsibility of climate- and nature-related risk and opportunity management, including any transition plans.
		1.3	Create a clear link between governance and oversight, establishing a robust governance framework and underlying policies and procedures.
		1.4	Ensure that our Board and Senior Management have the required knowledge and incentives to oversee risks and establish a culture aware of environmental issues.
	Strategy	1.5	Describe the impacts and implications of climate- and nature-related risks and opportunities on our business model and performance, strategy, and any decision-making processes.
		1.6	Describe how environmental resilience plans are incorporated into business decision making, including disclosure of any material outcomes of climate risk scenarios.
		1.7	Describe the outcomes of our materiality analysis and any material climate- and nature-related risks and opportunities that affect our prospects.
	Risk Management	1.8	Establish appropriate processes to identify, assess and prioritise climate- and nature-related impacts, risks and opportunities.
		1.9	Put in place mechanisms to monitor and manage climate- and nature-related risks and opportunities.
		1.10	Describe how scenario analysis has been used to inform the identification, assessment and management of climate- and nature-related risks.
2. Engaging Stakeholders	Operations	2.1	Manage and seek to reduce the environmental impacts of the internal operations and physical assets under our control.
		2.2	Engage our employees on our commitment to address climate- change and nature, helping them to play their role in meeting this commitment in the workplace and encouraging them to make climate- and nature-informed choices outside work.
	Value Chain	2.3	Understand and disclose the sources of emissions and adverse climate- and nature-related impacts on our value chain, that might in turn impact our business.
		2.4	Advocate and engage across the supply chain to encourage our suppliers to improve the environmental sustainability of their products and services, and understand the implications these have on our business.
	Innovate & Advocate	2.5	Support and undertake research and development to inform current business strategies, develop new products, and help support and incentivise our customers and stakeholders, including affected communities, in adapting to and mitigating climate- and nature-related issues.
		2.6	Promote and actively engage in public debate on climate- and nature-related issues and the need for action by publicly communicating our beliefs and strategy on climate- and nature-related issues and providing support and tools to our customers/clients so that they can assess their levels of risk.
		2.7	Where appropriate, work with policy makers and share our research with scientists, society, business, governments and NGOs in order to advance a common interest.

3. Enabling Transition	Investments	3.1	Integrate consideration of climate- and nature-related risks and opportunities into investment strategies and decision making.
		3.2	Take action to manage the implications of climate- and nature-related risks and opportunities on, and of, our investments.
	Underwriting	3.3	Develop and use models to incorporate climate- and nature-related issues and describe how the outputs of the models inform our underwriting decisions.
		3.4	Incorporate clauses in our insurance policies' terms and conditions that incentivise the reduction of exposure to climate- and nature-related issues of the insured structures through pricing of policies.
	Transition Plans	3.5	Disclose our climate- and nature-related transition plans and the objectives, priorities and commitments we are looking to address.
		3.6	Describe how the transition plan is overseen, resourced and implemented.
4. Disclosing Effectively	Measure & Monitor	4.1	Measure and disclose the impacts and potential impacts on our business of material climate- and nature-related risks and opportunities, including the results of the resilience analysis.
		4.2	Disclose the metrics used to measure and manage our contribution to climate- and nature-related risks, and targets used for monitoring progress.
	Report Robustly	4.3	Maintain and enhance a robust reporting regime, processes and internal controls over climate-related disclosures in order to avoid material errors or material misstatements.
	Disclose Transparently	4.4	Annual submission against the ClimateWise Principles.
		4.5	Annual public disclosure of the climate-related disclosures including ClimateWise Principles as part of annual reporting.
		4.6	Ensure reports are easy to understand, accurate, prudently and neutrally presented, well explained and allow organisations to be held to account.

The background is a solid teal color. A large, curved, white shape, resembling a stylized 'C' or a swoosh, starts from the left edge and curves upwards and to the right, ending near the top right. This shape is semi-transparent, allowing the teal background to show through. The text is positioned in the upper right area of the page.

Principle 1:

Steering Transition

 2024-2025 Planned Actions	 Progress
Transition plan: Establish baselines and set interim targets.	We have developed a draft transition plan, which includes establishing baselines and setting interim targets. This is currently being socialised and reviewed by management before going through final governance process. Headlines of the plan are included in this report.
Develop Sustainable Investment Principles.	Sustainable Investment Principles have been drafted and analysis over current exposure to sensitive sectors has been completed. The principles aligned with our Sustainable Underwriting Principles that were developed and implemented in 2024.
Develop climate change related Convex Deterministic Events (CDEs) for integration into to the 2025 business planning process.	Verisk's Climate Catalogue has been included in our renewal licence and will be used this year as part of our Climate Scenario Analysis. This will inform our business planning and will be included in our 2025/6 ORSA cycle reporting.
Complete the Double Materiality Assessment (DMA) across our value chain.	In 2024, we completed a Double Materiality Assessment (DMA) to identify key sustainability topics impacting our business and stakeholders, aligning with CSRD. Although Convex is no longer mandated to implement ESRS due to the European Commission's Omnibus Legislation, we have chosen to adapt and finalize the DMA process in FY25. This year, we have reperformed the DMA, incorporating updated IROs for 2025 as part of our annual review process.

Governance: Sub-Principle 1.1
Ensure that our Board has oversight of climate and nature-related risk and opportunity management, including any transition plans.

Convex is aware that effective management of climate and broader sustainability risks and opportunities is critical to the long-term success of its business. Accordingly, primary responsibility for sustainability matters is vested in the Convex Group Board, which is responsible for directing the Sustainability Strategy (including our approach to climate and nature risks and opportunities) across the Group. The Group strategy is further adapted by local Boards as appropriate.

A key responsibility of the Board is to agree our strategic approach to address the risks and opportunities facing the Group, which include climate and nature considerations. The Board's oversight is crucial for aligning our efforts with the Group Solvency Self-Assessment (GSSA) and Own Solvency and Risk Assessment (ORSA) process, ensuring climate and nature risks and opportunities are managed effectively.

The Convex Board(s) have engaged materially on climate risk and the broader sustainability agenda over the past year in a variety of contexts. These include reviewing regulatory and shareholder disclosures of Greenhouse Gas (GHG) emissions, considering the adequacy of the identification and management of climate risk through the annual Own Risk and Solvency Assessment (ORSA) exercise and quarterly CRO reporting, monitoring our progress against key sustainability objectives and keeping informed of the firm's engagement with the opportunities associated with decarbonisation, such as through our impact investment strategy.

The Board sets the strategic direction of climate change risk within the Convex Sustainability Strategy. Developed with active engagement from Board members and senior management, the Sustainability Strategy demonstrates a clear commitment to climate-related matters in Convex's overall strategy.

This includes a Board-approved commitment to Net Zero by 2050, with actions identified to develop interim targets and milestones. Boards are further kept informed of our climate related risks and opportunities through periodic in person presentations.

Key Responsibilities and Actions

The table below outlines a number of the key sustainability-related actions taken by the Board, and its committees, through 2024 and 2025:

Forum	Frequency	Climate Risk-Related Actions (2024-2025)
CGL/CIL Board	Annual	- Approval of the Group Sustainability Statement (bi-annual) - Approval of Financial Statements (including GHG emission data reported in line with the SECR framework) - Approval of the ORSA and GSSA (including the climate risk identification and materiality analysis)
	Quarterly	- Review of the CRO reports - Quarterly report from Head of Sustainability
	Ad-hoc	- Review of Convex Seascope Survey Annual Report and periodic updates - Board ESG Presentations - Review of regulatory climate related returns
CES Board	Ad-hoc	Review of Double Materiality Assessment
Investment Committee	Quarterly	Review of ESG profile of investments
CIL Risk Committee	Quarterly	- Review of CRO and Head of Sustainability Reports - Updates on climate-related exposure management developments, including the onboarding of new flood and wildfire models

Governance Structure, Roles, and Responsibilities

The Board is supported by its Board Committees (Figure 1) and the Group Executive Committee. These committees focus on specific aspects of climate change and nature e.g. the Investment Committee oversees the ESG profile of the investment portfolio and the Risk Committee oversees our exposure to material climate and sustainability risks. The Board delegates the day-to-day management of climate change risk to the Group Executive Committee (GEC) and its sub-committees and working groups as set out in Figure 1.

The Executive Chairman, Stephen Catlin, leads the Group's engagement in climate change risk and the broader sustainability agenda.

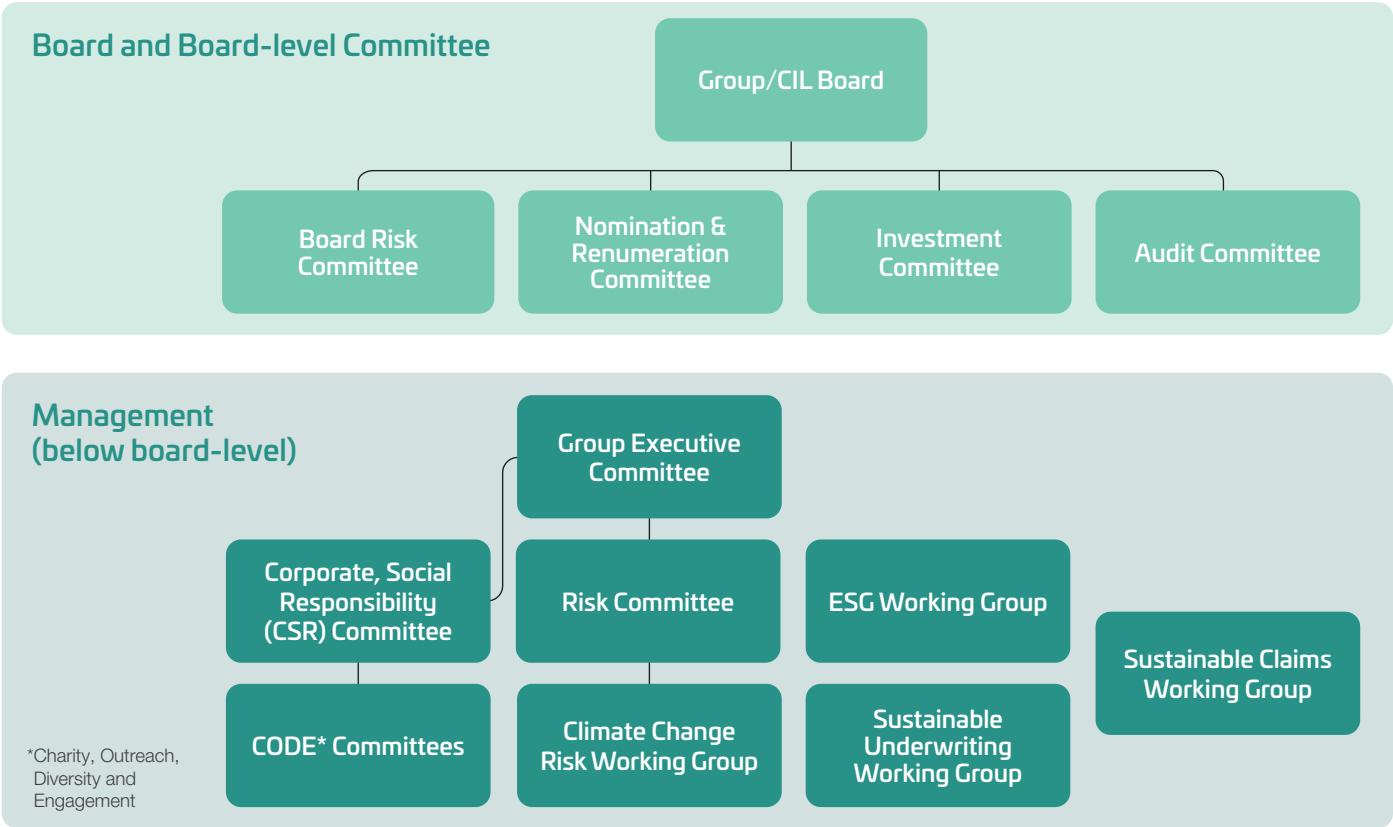
At CIL level, the regulatory accountability for climate change risk (according to the PRA Senior Management and Certification Regime (SMCR)) is held by Bill Marcoux, Chair of the CIL Board. The CIL Chair's responsibilities under the SMCR are to ensure that:

- CIL and the Board take a strategic approach for managing financial risks from climate change
- CIL Board understand and assess the financial risks from climate change that affect the firm

At CIL level, the Board Risk Committee is responsible for overseeing the design and implementation of the framework for assessing financial risks related to climate change and for making recommendations to the Board.

An organigram of the governance structure for sustainability at Board and senior management level is shown below:

Figure 1: Governance Structure



Governance: Sub-Principle 1.2

Ensure that the organisation's senior management has responsibility of climate and nature-related risk and opportunity management, including any transition plans.

Management Oversight

As the Group's main executive committee, the GEC has primary executive responsibility for the implementation of the Sustainability Strategy. The GEC further reviews and recommends to the Board(s) the Group Risk Management Framework which applies to nature and climate risks, monitors compliance with the framework, and reviews and approves relevant risk policies.

The GEC, sub-committees and associated working groups have engaged extensively with climate and nature related risk and opportunities over the past year. Key decisions and milestones are shown in the table below:

Forum	Frequency	Climate Related Actions (2024-2025)
GEC	Annual/ Ad-hoc	- Review of Sustainability Report and future actions - Review of ClimateWise Report - Review of Convex Seascope Survey Annual Report - Sustainability Strategy Engagement
	Monthly	- Review of CRO Report - Review of HoS Report
GERC	Ad-hoc	- Review of Regulatory Submissions - Review of Climate Risk Activity - Review of Project Berlin findings and monitoring of ongoing actions
ESG WG	Quarterly/ Ad hoc	- Review of progress against priority sustainability objectives identified by GEC - Review of ClimateWise report - Established Sustainable Claims Working Group - Review of 2024 offset portfolio
CCRWG	Monthly	- Review of regulatory gap analysis - Review of Climate RAS proposal and CSA plan - Oversaw reassessment of Climate Change Risk Assessment Framework and Impact Risk and Opportunity register - Review of Biodiversity Risk & Impact assessment

The GEC is supported in its oversight of sustainability related IROs through the sub-committees and working groups set out in Figure 1.

The GERC assists the GEC with the embedding of a strong risk culture across the Group, and with the design and implementation of the Climate Risk Management Framework (CMRF), which covers our approach to climate risk appetites, scenario analysis and risk assessment. The Climate Change Risk Working Group (CCRWG) supports the GERC in the implementation of the CMRF, ensuring climate IROs are appropriately identified, assessed, prioritised and managed. The CCRWG ensures that climate scenario analysis informs necessary risk management actions and oversees the reassessment of the Double Materiality Assessment (DMA) and IRO register annually.

The ESG Working Group, led by the Group Head of Sustainability, has a clear reporting line into the GEC, providing updates on a quarterly basis. The Group includes senior representatives from across the business, such as Underwriting, Investments, Risk, and Portfolio Optimisation, as sustainability is a material topic for all areas of our organisation.

The Corporate Social Responsibility Committee (CSR) oversees social, charitable and community initiatives at the Convex Group. More specific local initiatives are managed by the local CODE committees.

Senior Management – Roles and Responsibilities

Mirroring the assignment of responsibilities at Board level, Convex has defined clear accountabilities for sustainability among the senior management team.

For SMCR purposes, executive responsibility for climate change risk lies with the CIL CEO, as the climate Risk SMF. The CEO is responsible for:

- Developing a plan for managing financial risks from climate change.
- Ensuring the firm's risk management framework enables appropriate management and oversight of financial risks from climate change.

The Group CRO leads the day-to-day risk management process, including the management of climate change related risks, and reports regularly to both Board(s) and the GEC as described above. The Group CRO is supported by the Head of Risk who is the dedicated Risk Team member responsible for climate change risks.

The Group Head of Sustainability (HoS) is at the forefront of sustainability risk management, reporting directly to the Group Executive Chair. The HoS provides quarterly updates on the sustainability strategy to the GEC and the Board, acting as the Subject Matter Expert (SME) for climate risk management and leading the Climate Change Risk Working Group (CCRWG). The HoS leads Convex's climate and nature engagement strategy, detailed in principle 2.6.

We have further delineated lines of sustainability-related responsibilities such as the CFO, with responsibility for emissions disclosures, and our COO who is responsible for our sustainable operations management and reporting.

In addition to the representatives of different functions (actuarial, investments, finance etc) in the ESG and Climate Risk Working Groups, our CRO and Group Head of Sustainability have regular review meetings with Compliance and Internal Audit. The purpose of this is to ensure all second and third line functions are informed of climate-related risk issues and developments.

Governance: Sub-Principle 1.3

Create a clear link between governance and oversight, establishing a robust governance framework and underlying policies and procedures.

A robust governance system across the Group is essential for achieving our purpose and delivering our strategy. The governance structure noted in the previous principles is supported by a robust framework of underlying policies and procedures to ensure climate and nature considerations are subjected to appropriate oversight and embedded into our BAU activities.

Our comprehensive, enterprise-wide Group Risk Management Framework (RMF) sets out our approach to managing all risks that face the Group, including climate and nature. Due to the complex nature of climate risks, we have established additional processes that complement our RMF in the management of these risks, which are detailed in our dedicated Climate Risk Management Framework (CRMF).

The CRMF serves as a guide for how Convex identifies, assesses, and responds to climate-related risks, setting out our:

- Climate Risk Governance
- Climate Risk Definitions and Time Horizons
- Climate Risk Appetites
- Climate Risk Management process, in alignment with the Group RMF
- Impact, Risk and Opportunity Register
- Climate Scenario Analysis approach
- Climate Change Risk Assessment Framework

Our Risk Management Framework is supported a comprehensive set of documentation and integrated processes, including:

- Double Materiality Assessment (DMA)
- Emerging Risks Framework
- Stress and Scenario Testing
- Responsible Underwriting Principles
- Emissions Reporting Procedure
- Sustainability Statement

Additionally, as detailed in sub-principle 2.4, our Group Procurement Policy includes a Responsible Procurement section, and our Supplier Code of Conduct contains sustainability-related requirements.

Governance: Sub-Principle 1.4

Ensure that our Board and Senior Management have the required knowledge and incentives to oversee risks and establish a culture aware of environmental issues.

Convex Group is committed to ensuring that its Board and Senior Management possess the requisite skills, competencies, and knowledge to effectively oversee climate- and nature-related risks, and to cultivate a robust culture that supports the successful implementation of our sustainability strategy.

The Board benefits from the leadership of our founder and Executive Chairman, Stephen Catlin, alongside other directors who bring valuable insight into climate-related risks. Stephen Catlin has long advocated for a better scientific understanding of climate change's diverse impacts. He has actively supported open-source environmental research projects, notably the Catlin Arctic Survey (2009), focusing on global warming's impact on the ice shelf, and the Catlin Seaview Survey (2016), which studied the effects of rising sea temperatures on Australia's coral reefs.

Additionally, Stephen Catlin was the founding chair of the Insurance Development Forum (IDF), an industry association focussed on addressing the risk mitigation needs of countries particularly impacted by climate change. Stephen reassumed a seat on the IDF Steering Committee from March 2023. Bill Marcoux, CIL Board member and Senior Independent Director, is also deeply engaged in ESG matters as they impact insurers and is also involved in the IDF where he chairs the Law, Regulation and Resilience Policies Working Group, and most recently led the development of the IDF Infrastructure Investment Fund. Fiona Luck, CGL Board member, is a member of the Council of Lloyd's and a member of their ESG Committee. Anna Sweeney, CIL Board member, was previously Executive Director of the Bank of England where she took a lead role in their initial 2019 climate risk regulation for banks and insurers.

The leadership of our Group Head of Sustainability as outlined in section 1.2 is key to raising the profile of environmental related risks and the importance of addressing climate change across Convex.

The considerable experience and engagement on climate related matters from our Board and Management is a key driver in how Convex is able to establish a culture in environmental issues and use a variety of methods to engage employees, as outlined in Section 2.2.

In alignment with our commitment to effective governance and environmental stewardship, the Group has implemented a Board Skills Matrix for Convex Insurance Limited (CIL). The matrix includes sustainability expertise, ensuring that our leadership is well-equipped to address climate-related challenges. This initiative underscores our dedication to integrating environmental awareness and sustainability into our governance practices.

Our Board and senior management are kept informed of environmental issues and climate-related developments through their associations, participation in industry sustainability events, presentations and insights from the Convex Seascope Survey, with regular dedicated events and reports. The Board and senior management are further kept informed through dedicated communication channels and regular reporting.



Strategy: Sub-Principle 1.5

Describe the impacts and implications of climate- and nature-related risks and opportunities on our business model and performance, strategy and any decision-making processes.

The business of insurance is fundamentally about managing risks, and Convex recognises not only the physical consequences of global warming, such as the perceived increased uncertainty of extreme weather events, but also the risks and opportunities associated with the scale of transition to a Net Zero economy. We are also aware of the importance of nature and how biodiversity loss and ecosystem collapses can have profound impacts on the global economy, communities and our clients.

Sustainability is therefore central to our business in that we play a vital societal role in helping clients manage risks that might otherwise threaten the viability of their businesses, such as natural catastrophes, or act as an obstacle to their role in transition. By focusing on these issues, Convex aims to bolster the resilience and sustainability of both natural and human systems, ensuring the long-term stability of our clients and our business.

Understanding the implications of climate and nature on our strategy

At Convex, we recognise the critical importance of understanding the implications of climate and nature-related risks and opportunities on our business strategy. Our process begins with a comprehensive double materiality assessment (DMA), which evaluates both the financial materiality of sustainability-related matters on us and the impact of our operations on people and the environment. This assessment informs our Impact, Risk and Opportunity (IRO) register, which captures the key environmental IROs that are most material to our business and stakeholders.

Our DMA, which is noted in more detail below, identified climate change as the most material sustainability topic for our business and stakeholders, validating our prioritisation of this issue. This reinforces the importance of our ongoing efforts to integrate climate-related risks and opportunities into our business strategy, ensuring that we continue to address the most pressing concerns for both Convex and its stakeholders.

To ensure there is sufficient consideration of climate related risks and impacts in setting strategy and informing decision making processes, we have developed the Climate Risk Management Framework (CRMF). This framework, noted in more detail in principles 1.3 and 1.8, outlines our multifaceted approach to how we assess these risks, including through scenario analysis, and how in turn these assessments feed into our strategy through the business planning process, capital model, ORSA and regular Board reporting. Our Transition Plan will address the environmental impacts and opportunities identified through our DMA and IRO register.

We also note that our DMA identified biodiversity as material topic for us, primarily due to its interconnectedness with climate change. We are developing our capabilities to better understand our IROs associated with this area, acknowledging it is an emerging and highly complex field. As a starting point, we have assessed the impact our offices may have on nature and the nature risks they pose, and we have evaluated the impact of our underwriting and investment portfolios on key biodiversity and ecosystem metrics, leveraging the ENCORE dataset.

Defining our Sustainability Strategy

Our Sustainability Strategy enables us to address the challenges and opportunities presented as the world decarbonises, tackles the impacts of a changing climate and manages evolving societal expectations and responsibilities. This strategy, shaped with significant input from senior leadership, informs and contributes to our overall group strategy, which is comprised of three strategic pillars:

1. Attracting the finest talent and creating a values-driven culture to become our client's favourite insurer.
2. Deliver operational excellence through strong execution and quality outcomes with a market leading low expense ratio.
3. Use of data and technology for enhanced decision-making.

Convex's Sustainability Strategy, articulated in our Sustainability Statement, is comprised of the following three Guiding Principles: Building Resilience, Leading from our Culture and Advancing Transition. The GEC receive regular updates on our progress addressing these principles and, alongside our senior leadership team, have identified priority objectives for each pillar.



Pillar	How we have addressed our objectives	Alignment with Group Strategic Pillars
 Building Resilience • Leading customer resilience; insuring complex risks in a changing world. • Aligning our portfolio with businesses on a transition path. • Understanding risks and opportunities from climate change. • Reducing the footprint of our own operations. • Responsible and transparent reporting.	• In line with our Group Strategy and business plan, we have continued to grow our insurance offering, increasing our coverage of climate-related risks to protect clients whilst we continue to support them with best-in-class claims services when disaster strikes. • Developed in-house AI tool to identify the transition pathways of our clients in hard to abate sectors. • Established our CRMF and embedded our DMA process to ensure we have a structured approach to assessing climate related risks and opportunities. • Our transition plan has been drafted which outlines our commitment to minimising our carbon footprint. • Published our 2024 ClimateWise for third year running.	Use of data and technology for enhanced decision-making: • Use of state-of-the-art catastrophe models to better understand climate risks so we can continue to grow our underwriting portfolio • Development of innovative tech solutions and partnerships with data companies to better understand our client's transition pathways Deliver operational excellence through strong execution and quality outcomes with a market leading low expense ratio. • Enhanced our understanding of our emissions footprint and taken action to reduce emissions, leading to lower expenses.
 Leading from our Culture • Being a values-led employer of choice. • Fostering a diverse and inclusive workplace. • Contributing to our local and wider communities. • Collaborating and forming enduring partnerships.	• Awarded Sunday Times 'Best Places to Work' for second year running, and our 5th SPARK survey achieved a 94% completion rate, with engagement scores leading the SPARK database. • We measure belonging through our annual inclusion index survey. In the most recent survey, we achieved our highest completion rate yet at 92%. We have expanded our parental leave offering to six months for all expectant parents, regardless of how they become parents. • Strong public engagement with Convex Seascope Survey, including the provision of free to use curriculums focused on ocean science. • Continued support of the Insurance Development Fund, aiming to develop resilience in affected communities, e.g taking a leading role in the development of the Infrastructure Resilience Development Fund.	Attracting the finest talent and creating a values-driven culture to become our client's favourite insurer. • Engaging with employees on climate and sustainability related initiatives, such as Convex Seascope Survey.
 Advancing Transition • Supporting industry driving transition. • Developing innovative solutions to address new and emerging risks and opportunities. • Building and sharing climate knowledge. • Leveraging our investments to catalyse change.	• Continue to support the transition to sustainable energy through our offering of specialised underwriting solutions for renewable energy projects. • As a co-lead insurer we developed a novel product to support two key Carbon Capture & Storage (CCS) projects backed by the UK Government. • We have continued to support Oasis – an open-source catastrophe modelling platform, a key tool for the Global Risk Modelling Alliance. • Committed close to \$100 million to impact investment projects. • Supporting ground-breaking carbon research via Convex Seascope Survey.	Use of data and technology for enhanced decision-making. Support of innovative catastrophe modelling initiatives. • Advancing global understanding of ocean carbon through the research to deliver new, open access data from Convex Seascope Survey.

How our strategy considers time horizons

We recognise that the impacts, risks, and opportunities posed by climate change will manifest and evolve over different time horizons. To ensure our business remains resilient to these changes we have defined time horizons against which we assess our IROs and tailor our strategy accordingly.

Short-term climate events can directly affect our business performance, while medium-term trends influence strategic planning and project development.

Long-term changes, on the other hand, shape the broader landscape in which we operate, potentially altering market dynamics and regulatory environments.

The following table outlines aspects of our strategy for responding to IROs across different time horizons, ensuring our business remains resilient and positioned for sustainable growth.

Time Horizon	Period	Impact	Strategy
Short term	1-5 years	Medium Transition risk; Limited Physical risk, Reputational Risk.	- Commissioned in-depth study on short term impacts of physical risks to understand potential impacts of climate change on current business strategy and inform our response. - At a portfolio level, short term physical risks are managed through our exposure management and business planning processes and risk appetite statements. - Our underwriters have access to advanced catastrophe models and tools to inform risk selection, pricing and decision making. - Focused engagement strategy across our value chain. - Development of Responsible Underwriting and Investment Principles. - Impact investment strategy aims to invest in scalable, high-impact opportunities which will bring long term growth (refer to principle 3.2 for further detail).
Medium term	5-10 years	Higher Transition risk; evolving Physical risk depending on perils regions, Litigation risk, Reputational risk.	- Leverage Climate Scenario Analysis (CSA) to understand potential medium – long term impacts of climate change on our strategy. - We will publish a transition plan with interim targets set for 2030. - In line with group strategy to achieve balanced growth, continue to engage with clients, industry forums and other stakeholders to identify emerging markets arising from the transition.
Long term	10+ years	Physical risk has the potential to become a severe driver of physical climate risk, in ways beyond embedded peril-region thinking e.g. rapid sea level rise/circulation shifts; Moderate Strategic risk given need to adapt to changing energy and regulatory environment.	- Board-approved commitment to achieving Net Zero in our own operations and in our business activities by 2050. - Completed assessment of tipping point risks. - Continued use of CSA to understand longer term implications of climate change.

Business Planning & Climate Risk

Sustainable growth is an integral part of our Group Strategy and our business plan articulates how we intend to achieve this over the next 3 years. Climate risks are a key input into our plan, informing our planned purchase of reinsurance, shaping our profit expectations and ensuring the plan is achievable within our risk appetite.

Our capital management is a fundamental aspect of the planning process, for which we use our Core Model. Natural catastrophe exposures, particularly those impacted by climate change, are a key input into the model, which informs our risk appetite assessments and crucially the decision making around our reinsurance programme, a key element of our capital management. This process considers various climate related return periods, occurrences, aggregations and market share concentrations, allowing us to maximise on the opportunities available whilst remaining within our risk appetite. Integrating climate considerations into our ceded insurance program enables us to mitigate the risks associated with a changing climate and write policies with higher limits and increase our aggregate exposure for opportunities we have identified. Additionally, our exposure to natural catastrophe perils is monitored regularly so we are able to adjust our outwards reinsurance strategy if necessary.

This process allows us to meet the underwriting objective of sustainable premium growth whilst focusing on assessable and manageable climate-related risks.

Exposure Management

We license a global suite of sophisticated catastrophe models which cover all peak natural catastrophe related perils globally. These models are used consistently across our underwriting and portfolio management processes. We leverage these models for assessment of quotations on a risk by risk basis to support underwriting decisions and cat modelling metrics flow through to our pricing tools for the use of underwriters. Once risks are bound, we use the same models to roll up bound business and use the same methodology to produce results that inform our Group risk and cat modelling views, enabling a consistent assessment of risks from quotation to the reporting of risk appetites and other metrics.

Sustainability Initiative Prioritisation

In 2024, the ESG Working Group identified a list of current sustainability linked workstreams and opportunities which in which Convex was either engaged or had under consideration. These options were presented to the GEC in an app format which enabled individual GEC members to effectively rank all the options based on their view of priority to Convex, in alignment with our Group Strategy. The assessment included a consideration of the cost and benefit of each option, as well as the impact it would have and the potential financial benefits that may arise. This same ranking process was also undertaken by members of the ESG Working Group and a selection of other more junior Convexians.

The results of this exercise helped to shape the prioritisation of our Sustainability agenda and the opportunities we are pursuing, as well as informing our broader strategy. Developing a transition plan, pursuing investment opportunities to support Bermuda's transition to renewable energy and exploring sustainable Claims Initiatives have been of particular focus for us in 2025, given the results of this assessment. The Board, GEC and ESG Working Group receive regular updates on the progress we are making against the priority objectives that were identified.

UN Sustainability Development Goals

The nature of the business we conduct, and the way in which we operate together mean that while our actions contribute to a broad range of the UN SDGs, we make the most substantive contribution towards realising the following six:

- SDG 3 – Good health and Well-being
- SDG 5 – Gender Equality
- SDG 8 – Decent Work and Economic growth
- SDG 9 – Industry, Innovation and Infrastructure
- SDG 13 – Climate Action
- SDG 14 – Life Below Water

To ensure we're having a material positive impact on the UN SDGs we have aligned our activities with the granular UN SDG targets and indicators, in addition to identifying the high-level SDGs noted above. Our Sustainability Strategy is driven particularly by SDG 13, Climate Action, SDG 14 Life Below Water and SDG 9 Industry, Innovation and Infrastructure where we aim to address specific targets within the SDG's as referenced in this report, examples of this include our underwriting of pioneering UK CCS projects (UN SDG target 9.4) and our support of the Convex Seascope Survey (UN SDG target 14a).



Strategy: Sub-Principle 1.6

Describe how environmental resilience plans are incorporated into business decision making, including disclosure of any material outcomes of climate risk scenarios.

Our operational resilience framework is designed to maintain the stability and continuity of our business services during disruptions. This framework not only safeguards our operations but also protects our customers, stakeholders, and the broader financial system. We recognise that climate change could bring new and more frequent business disruptions and have therefore integrated environmental resilience into our framework to ensure that climate-related risks are systematically addressed as part of our overall risk management and strategic planning.

We integrate environmental resilience plans into business decision-making processes through aligning our Operational Resilience framework with our strategic pillars, with this alignment fully articulated in our Operational Resilience Self-Assessment. Our approach is multi-faceted, ensuring that environmental resilience is not only considered in isolation but also as part of our broader operational risk management and strategic planning.

We have established detailed impact tolerances for Important Business Services (IBS), which include considerations for environmental disruptions such as extreme weather events that could result from climate change. Resource mapping incorporates dependencies on critical systems and third parties, assessing their resilience against environmental threats. We conduct regular scenario testing, including severe but plausible environmental scenarios. Recent stress tests have simulated extreme weather events disrupting key services and outsourcing providers. In addition, we have evaluated the exposure of our primary office to climate-related hazards and will expand this assessment to other key locations. These tests help identify vulnerabilities and validate our preparedness to maintain service delivery within impact tolerances during climate-related disruptions.

Strategy: Sub-Principle 1.7

Describe the outcomes of our materiality analysis and any material climate- and nature-related risks and opportunities that affect our prospects

In 2024, we undertook a comprehensive Double Materiality Assessment (DMA) to identify the material sustainability topics for our business and our stakeholders. The DMA process included mapping our value chain and creating a stakeholder matrix, assessing the materiality of a long list of topics through consideration of external stakeholder views, identifying a long list of Impact, Risks and Opportunities through AI-driven sentiment analysis, and refining this list through data-driven assessments of our underwriting and investment portfolios. This meticulous approach ensured that we considered both the inward financial impacts and the outward effects of our activities on people and the environment.

Throughout this process, we engaged with internal subject matter experts across various functions to validate and refine our IROs. By scoring these IROs based on severity and likelihood, we identified which ones were material enough to warrant inclusion in our climate risk management framework. The final IRO register now serves as a robust strategic tool integrated into our decision-making processes.

We have integrated the DMA process into our wider sustainability framework, ensuring that our ongoing identification and management of IROs is aligned with relevant regulations and is used to effectively to inform strategic decisions. Our annual review and update process for the DMA and IRO register ensures that we continuously monitor and adapt to any significant changes in our business or external environment. This ongoing maintenance guarantees that our strategies remain effective and responsive to emerging risks and opportunities, thereby supporting our commitment to managing sustainability-related IROs and contributing to our overall sustainability goals.

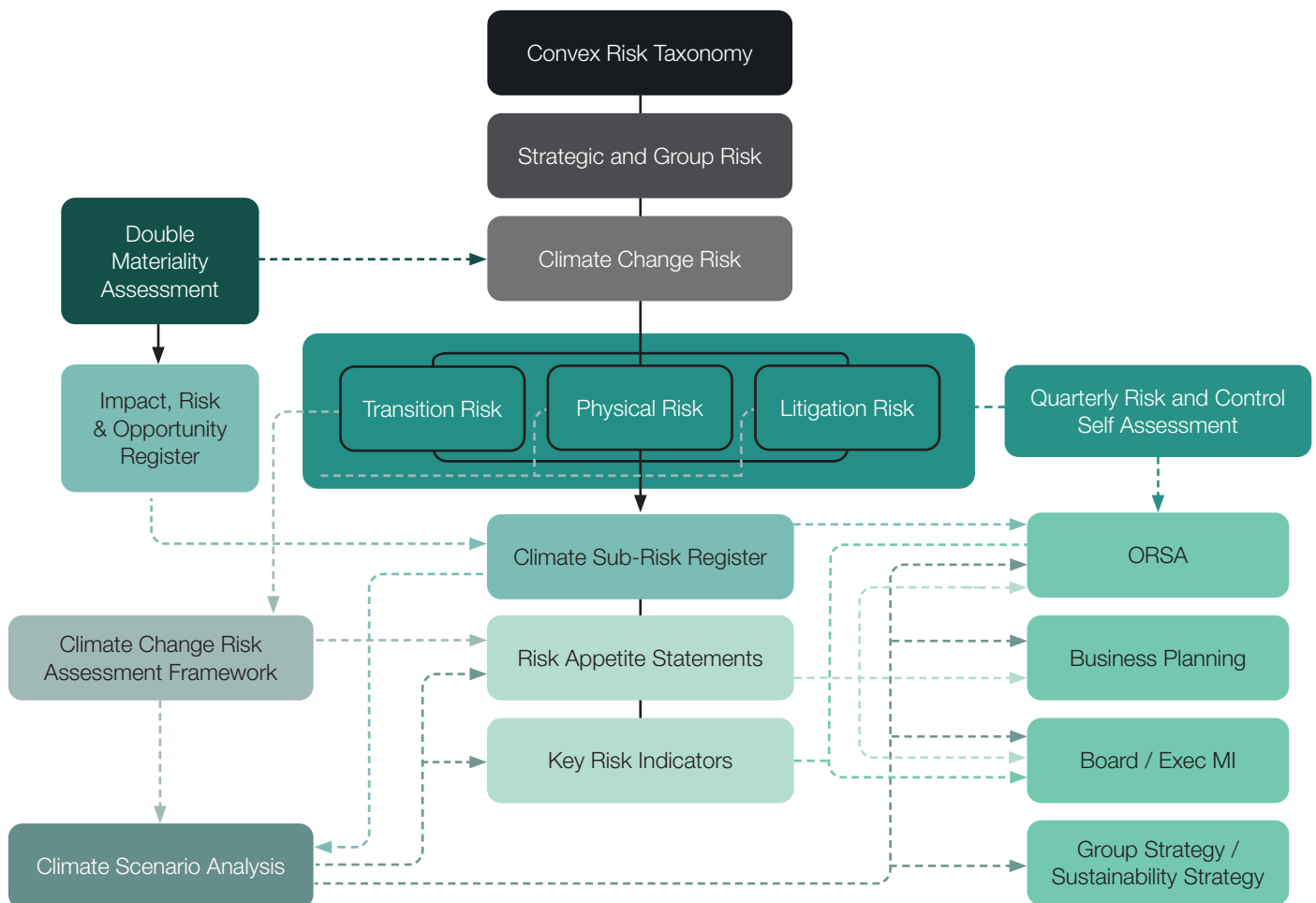
The DMA results have guided our transition planning efforts to date, which primarily focuses on environmental transition and the governance structures that support our approach. Whilst the social aspect of transition remains incredibly important, our values already champion fairness, embracing diversity and a commitment to continuous improvement. Given our existing strength in these areas at this early stage, our stakeholder analysis has led us to prioritise decarbonisation in this first iteration of our Transition Plan.

Risk Management: Sub-Principle 1.8

Establish appropriate processes to identify, assess and prioritise climate and nature-related impacts, risks, and opportunities.

Climate-related risks have been embedded within our existing Group Risk Management Framework for several years, ensuring that these risks are appropriately identified, assessed and prioritised in line with our standard risk management processes. Given the uncertainty and complex nature of these risks we also established additional processes to facilitate their identification and assessment, such as tailored Climate Scenario Analysis and our Climate Change Risk Assessment Framework (CCRAF).

This holistic approach has been formalised through our Climate Risk Management Framework and aligned with our DMA process, ensuring that there are appropriate channels for our work on these IROs to feed into strategy and inform decision-making, as shown in the diagram below:



Integration with our Risk Management Framework

Convex has a comprehensive and robust Risk Management Framework to identify, assess, manage, and monitor the risks faced by the Group. We operate a three lines of defence model, which enhances the effectiveness of risk management by clearly delineating responsibilities across the organisation, ensuring that risk identification, assessment, and control are achieved through a structured and coordinated approach.

Our RMF is supported by a strong risk culture within the Group and helps to ensure risk exposures can be monitored against approved risk appetite statements and limits. By defining and integrating climate risks within our RMF we ensure that these risks are subjected to appropriate oversight, continuous assessment and integration into decision making.

From Convex's perspective, climate related risks are viewed in the following categories which have been defined and incorporated in our risk register as follows:



Physical Risk

An increase in the frequency and severity of specific weather events which occur as a result of climate change e.g. floods, heatwaves and wildfires; or longer terms shifts in the climate such as a rise in the sea level or rising mean temperatures.



Transition Risk

Risks arising from the process of adjustment towards a low carbon economy e.g. the impact on business models from the emergence of disruptive technology, changing risk profiles of our insureds, asset price volatility and changes in government policy and consumer preferences.



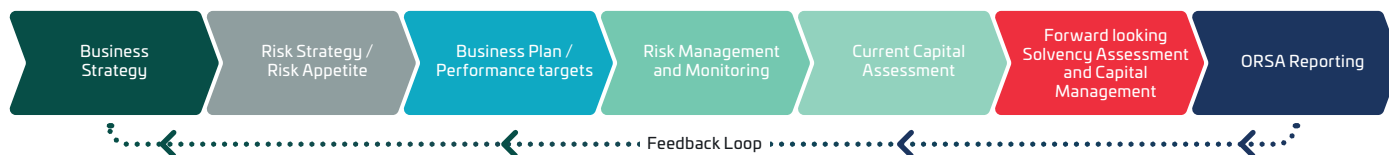
Liability Risk

The risk of parties who suffer loss from climate change seeking to recover those losses from those who they believe may have been responsible and risks associated with decarbonisation / environmental statements and commitments.

As noted in principle 1.5, we have defined time horizons to understand how these risks will evolve, and assess them over short-, medium- and long-term horizons.

Our IRO Register contains a wide array of granular risks that focus on specific components of these three risks. For example, we have 9 sub risks mapped under physical risk, including increased insurance losses arising from more frequent extreme weather events, reinsurer climate-related credit risk and third-party disruption arising from climate change. Facets of climate risk which are particularly uncertain are managed through our emerging risks process.

The Group's risk self-assessment process through the annual ORSA exercise (and its equivalent for firms regulated by the BMA, the GSSA) provides a robust framework to identify, monitor and assess all material risks to which the Group is exposed (including climate change risks). Specifically, the GSSA/ORSA comprises the entirety of the processes and procedures employed to assess, monitor, manage and report the short and long-term risks and to determine the capital necessary to ensure that CIL's overall solvency needs are met at all times. The CIL ORSA process is illustrated in the figure below:



It is also important to note that the GSSA/ORSA is a continuous process and, through the feedback loop (as illustrated), enables the Group's climate risk appetite to be adjusted to allow for new information. For example, new scientific insights into the timing and magnitude of changes to climate patterns or changes in the external risk environment.

The inclusion of climate risks within our risk register enables the Risk team, and key stakeholders, to identify where climate change risks may crystallise and ensures these risks are discussed and assessed with the Risk Owner on a quarterly basis through the Risk and Control Self-Assessment ('RCSA') process. We have continued to enhance the suite of controls linked to climate risks and have incorporated them in the RCSA process. This process is supported by our IRO register which is detailed below.

Assessing Impacts, Risks and Opportunities

Our annual DMA enables us to understand which climate-related areas are most strategically important to Convex, which helps narrow our focus to key areas in order to identify relevant climate Impacts, Risks and Opportunities, (IROs).

IRO identification is carried out on a continuous basis through the organisation. The CCRWG hold responsibility to identify risks through ongoing monitoring of the business and external environment and through the business planning / sustainability strategy development processes.

IROs are documented and held in our IRO Register which is owned by the Climate Risk Working Group. IROs are assessed on an annual basis, across time horizons, for either financial (risks and opportunity) or impact materiality. We have defined a materiality threshold for IROs, and the scoring of these relative to the threshold informs our assessment of material topics in our DMA and enables us prioritise areas that warrant further comprehensive assessments. The IRO Register is continually reviewed against incidents as they occur and for any emerging risks that are identified. The overall quarterly risk assessment of physical, transition and litigation risks are informed by the any changes to the underlying sub-risk registers, including the IRO register.

Climate Change Risk Assessment Framework

In 2025, we refreshed the CCRAF, engaging with stakeholders across the business to update our line of business assessments of Physical, Transition, Litigation and Reputational risks and integrating the 2026 business plan premium into the scoring process. Outputs from the CCRAF enable us at a high level to identify areas of our underwriting portfolio that may be particularly exposed to certain climate risks or require further investigation. The CCRAF is a key tool that enables us to prioritise further detailed assessments of climate risk impacts for specific lines of business, whilst also informing our view of materiality across the portfolio which will feed into line of business appetites/tolerances. The process has informed management action such as further scenario analysis, deep dives into specific risk areas, such as Project Berlin, and our climate related litigation analysis.

The scoring system uses qualitative criteria to grade the exposure of underwriting liabilities to each of the four categories of climate risk. The assessment is performed for each business line. Firstly, we assess the potential of increased claims from these risks. For each climate risk, a score of 0 to 100 is given based on its potential for increased claims exposure. The higher the score, the higher the potential exposure relative to other areas. The scores are then weighted according to premium and importance of risk category. The weight of risk category is further considered against the term (Short, Medium or Long). This then gives the final score in each risk category and line of business: the higher the score, the greater the impact in that time frame.

Climate Related Regulatory Matters

We are aware that the regulatory landscape with regards to climate change reporting is rapidly evolving at both national and international levels. Our HoS is active in the area and closely monitors regulatory developments. The accountability for ensuring the Group is informed of new and evolving regulatory requirements lies with our dedicated compliance function, as part of its core surveillance responsibilities.

As a member of the IUA Sustainability Committee, ClimateWise Management Committee, Geneva Association and ABIR we are routinely informed of developing and emerging ESG and climate related standards and regulation. We have reviewed in detail the proposals the PRA's Consultation Paper 10/25 and have submitted feedback to the PRA via our membership of the ABI. We have also performed a gap analysis between our current state and the proposed requirements of CP 10/25 and have identified actions to ensure we will be compliant. In addition to assessing our alignment with CP10/25, in 2025 we also completed gap analysis between the requirements of CRSD, ISSB and BMA regulatory guidance for GSSA reporting. This reflects our continued commitment to ensuring we are aware of, and compliant with, the latest regulatory developments.

We have paid attention to the industry standards being developed through the International Sustainability Standards Board (ISSB) and welcome the efforts being made to align standards at an international level.

The CCRAF approach involves:

1

A high-level view from key stakeholders of potential exposure to Physical, Transition, Liability and Reputation climate risks, by line, or sub line, of business.

2

Carrying out more detailed climate change reviews on key areas to improve understanding of risks and opportunities.

3

Collate results and conclusions of detailed assessments and establish further actions required.

Data Strategy

Our sustainability data strategy is focused on building partnerships with innovative data firms and leveraging the latest technology to enhance our understanding and management of climate risks and our environmental impact. We prioritise using actual data where possible, noting that whilst a heavy reliance on proxy data and other estimates can provide a high-level view of risk and impact, it isn't reliable enough to influence decision making. Through continuous improvement and innovative data collection methods, our commitment to rigorous decision-making processes and quality ensures that we are well-positioned to meet the challenges of a rapidly changing climate landscape. Examples of how our data strategy has influenced decision making process are listed below:

- Climate modelling is a cornerstone of our strategy to mitigate the short-term risks associated with climate change. Our decision-making process prioritises accessing the latest and best-in-class catastrophe models available. Recently, we have updated our flood model and are in the process of updating our wildfire model. These updates are crucial as they inform our risk appetites and overall risk management strategy. The quality of these models is continuously validated to ensure accuracy and reliability in our assessments of risk.
- Understanding our impact on the environment necessitates the calculation of our operational emissions and financed emissions and insurance-associated emissions. Our strategy involves a thorough approach to data quality, detailed in Principle 2.3. Our priority is to use real data and develop partnerships that enhance our data coverage. This approach has led to significant improvements in our disclosures on operational emissions since the previous reporting period.
- We developed an AI tool to collect ESG data points that are not captured by standard industry questionnaires or by traditional data companies. This innovative approach enables us to gain a more comprehensive and informed view of our clients' sustainability credentials and enhances our ability to capture high-quality ESG data, which is critical for informed decision-making and strategy development.
- To complement our internal data, we use third-party ESG datasets from a major rating agency. When sourcing this data we performed rigorous due diligence on a number of firms to ensure the coverage and availability of the data met our high standards.

Risk Management: Sub-Principle 1.9

Put in place mechanisms to monitor and manage climate and nature-related risks and opportunities.

The key oversight of climate change related risks falls to the Group Executive Risk Committee, with support from the ESG, Climate Change Risk, Sustainable Underwriting and Sustainable Claims Working Groups, established for areas that require targeted focus. Specific climate change risk accountability is described in more detail in Principle 1. The Convex Risk Management Framework contains a dedicated section outlining our approach to monitoring and managing climate related risks, and there are further examples of how we monitor climate risks on an ongoing basis below.

Key Risk Process

The potential impact of climate change on our business has been included in our key risk reporting. We define key risks as risks that have been identified by Senior Management or the Risk Function which require Board and or Risk Committee attention due to more severe impacts or an increased probability of occurring. Key risks are given a risk rating to highlight which risks require more oversight and attention from management and Board and/or Risk Committee. The key risks are reviewed on a quarterly basis by the Risk function and relevant management, prior to reporting to Board/Risk Committee.

Defining our Climate Risk Appetite

Setting climate risk appetite statements is an important part of managing climate-related risks, as they provide clear guidelines and thresholds that help us make informed decisions, allocate resources effectively and ensure that our actions align with our strategic goals. This year we have made significant progress in developing our climate specific risk appetites, in line with regulatory expectations.

We have developed our climate-related risk appetites to align with our wider risk management framework and our IRO register, focusing on material risks. The RAS reflect the risk exposure limits and thresholds that we are willing to bear in line with our wider strategy and business model. This is then delegated to other entities through the relevant Boards for entity-specific consideration. Our RAS also supports our Sustainability Strategy, specifically the Building Resilience, and Advancing Transition pillars.

As noted earlier in our report, we categorise climate risk into three broad categories: Physical Risk, Transition Risk, and Litigation Risk. We have developed statements for each of these categories that are supported by underlying KRIs, thresholds and tolerances that are already in use by the business. Certain KRIs are specific to a LOB to ensure they are relevant and suitable for the business we write, and meet regulatory requirements. We have also set risk tolerances, and plan to expand this further, which we monitor quarterly. Currently, we track our exposure to risk through a number of different metrics and engage our stakeholders accordingly. For material IROs we have identified key metrics and documented this in our IRO register. This process is fundamental to how we monitor and manage climate and nature related risks.

As an initial step in determining our climate risk appetite we leveraged the Convex Climate Change Risk Assessment Framework ('CCRAF'). This tool enables the evaluation, at a portfolio level, of our exposure to climate change related risk factors and the materiality associated with this. For example, physical risk is identified as higher risk for our property underwriting in nat cat exposed regions, transition risk exposure is most prominent for our lines of business exposed to carbon intensive sectors and exposure to litigation risk is concentrated in certain classes of our casualty underwriting. This then informs our approach to determining our Line of Business risk appetite and the management of these risks.

Risk Management: Sub-Principle 1.10

Describe how scenario analysis has been used to inform the identification, assessment and management of climate and nature-related risks.

Our Approach to Climate Scenario Analysis (CSA)

As part of our risk assessment process, we undertake CSA modelling to inform key decisions throughout the business. For our CSA, we focus on the most material risks – as identified in our IRO register, and as a result of the double materiality process. Our strategy is to use a combination of methodologies to ensure that we are using scenarios that are best suited to the risks being analysed. This gives us a representative view of our risk landscape.

The CSAs are run at least annually, in line with our general scenario analysis process. Key scenarios are identified and reported to the Board through the ORSA and inform our KRIs. Scenarios may be run more frequently depending on the risk monitoring process described above.

The outcomes of our scenario analysis are linked to key decisions, including setting business strategy, our exposure management, and reinsurance purchasing:

- Climate is integrated into our business planning and capital evaluation process, with a focus on physical risk within our underwriting portfolio as this is our most material climate risk, as confirmed by our CSA.
- Our risk appetite statements take into consideration the outputs of our scenario analysis, supporting our management of climate risks and exposure management.
- Climate risk considerations are integrated into the wider reinsurance purchasing process.
- As outlined in principle 1.6, we will leverage CSA to inform our operational resilience assessment.

Litigation Scenario Analysis

A key development we have made in our CSA approach this year is our partnership with a third-party casualty modelling company to integrate climate litigation considerations into both our underwriting decision making and portfolio management, through CSA.

The two litigation scenarios we have assessed are:

- **Extreme Heat:** This scenario evaluated the financial implications of worker compensation claims and third-party litigations arising from severe heat waves in the central United States, northeastern United States, and Southern California, attributed to anthropogenic climate change.
- **Greenhouse Gas Emissions – Public Property Damage:** This scenario stipulates a mass litigation event precipitated by state and local governments seeking to recover damages attributable to climate change from fossil fuel companies, estimates the economy-wide damages those events could generate, and considers how commercial entities could be held responsible for damages.

Whilst the initial results of our CSA do not suggest any large systemic losses for us from climate litigation, we have integrated litigation risk scores into our pre-bind process to ensure our underwriters are aware of potential clients which may be at high risk of climate litigation.



2025-2026 Planned Actions:

- Continued development of our CSA capabilities and integration into decision making.
- Expand operational resilience process to include explicit climate change scenario.
- Integrate Physical Risk Climate Scenarios into Business Planning process for FY 2026.

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Principle 2:

Engaging Stakeholders

 2024-2025 Planned Actions	 Progress
Determine scope 1, 2 and 3 interim targets as well as baselines.	Baseline emissions figures have progressed and our process for calculating these emissions has been significantly improved. Emissions limitations are in development as part of our draft Transition Plan.
Include Employee Commute in Scope 3 reporting.	Complete; the approach has been integrated into our 2024 Group emissions reporting process.
Broaden engagement of the wider science community in the progress and learning of Convex Seascape Survey (CSS).	COP presentations / World Ocean Summit / BIOS at Bermuda / UN Ocean Science Conference.
Develop further Convex Seascape Survey linked information events (for employees and other stakeholders).	Presentations to insurance community at Fishmongers Hall and Sustain Insurance Festival, ClimateWise members and NY Climate Week. Released a series of live lessons on Ocean and Climate, available free of charge and accessed by a range of schools globally.
Develop PowerBi dashboard for reporting GHG emissions and the full suite of Sustainability linked metrics.	Dashboard is complete and includes Investment & UW metrics in addition to GHG reporting.
Roll out our tailored climate related training program for all employees.	Complete; Climate School modules launched for all employees in 2024.



Operations: Sub-Principle 2.1

Manage and seek to reduce the environmental impacts of the internal operations and physical assets under our control.

In 2024/5 we have continued to progress our assessment and efforts towards the reduction of our environmental impacts of our internal operations, including progressing our transition plan.

Our draft transition plan outlines our strategic ambition for advancing the transition, and how we intend to manage our carbon footprint, including the setting of interim targets so we can track our progress and adapt our strategies as needed to achieve our long-term sustainability objectives and our approach to offsetting.

Through our DMA process we identified and assessed material IROs arising from our own operations, which led to the projects noted below, aimed at enhancing our understanding of our Scope 1 and 2 footprint and the nature-related risks and impacts of key Convex locations.

As part of our aspiration to be a sustainable business, we are committed to ensuring the environmental sustainability of our operations and recognise the importance of this to our employees alongside their need for high quality functional workspace. This commitment directly informed our decisions to occupy space in Point House, Bermuda and The Scalpel, London, both modern energy efficient buildings offering high standards of amenity, with the latter being powered by 100% renewable energy. We also source 100% renewable electricity for our Luxembourg office and are actively seeking opportunities to support Bermuda transition to a greener energy system as currently the availability of renewables is highly limited.

We also have substantive measures in place to ensure sustainable procurement in our UK offices, with both our catering and cleaning contractors being ISO 14001 certified suppliers. Our catering contractor uses only locally sourced products to limit food miles travelled, use 90% Vegeware food packaging to eliminate single use plastic, and are on a mission to achieve B-Corp certification. Our cleaning contractor has a CDP score of B. They are ISO 14001, ISO 45001, ISO 9001, ISO 50001, and ISO/IEC 27001 certified. They were recently awarded a gold medal EcoVadis rating, as well as being awarded The Royal Society for the Preservation of Accidents Gold Medal from the RoSPA Health & Safety Awards.



Case Study

The Scalpel

As part of our continuous efforts to understand and minimise our operational footprint, we commissioned a third party to undertake an energy audit of our London headquarters. The brief was to evaluate the energy efficiency of our operations and identify opportunities for further reductions in energy consumption and carbon emissions. The audit included a comprehensive survey of the energy usage across the five floors occupied by Convex and an on-site assessment of our facilities. This process highlighted the efficiency of our London office and notes that our electricity is 100% renewable, meaning the scope for further reductions in scope 1 and 2 emissions is very limited.

In our London building all lighting is provided by energy-efficient LED lights, which are equipped with occupancy sensors throughout to ensure lights are only on when necessary. The heating system is optimised based on operational hours and includes plans for an outside air temperature hold-off strategy to further enhance efficiency. The buildings ventilation system uses air handling units linked to air quality sensors, allowing for the precise control of airflow, whilst meeting rooms are equipped with occupancy sensors to monitor usage patterns and optimise air distribution. Photovoltaic solar panels are installed on the roof of the Scalpel which contribute to the buildings electricity supply and compliments our sourcing of 100% renewable electricity. On one floor we have implemented “people counting” technology connected to the air handling unit controller, which helps regulate air flow rates based on occupancy. We are currently evaluating the data from this technology to determine if we should roll it out to other floors.

We have always prioritised acquiring modern and sustainable office spaces that our employees will enjoy working in and these initiatives demonstrate our proactive approach to reducing our operational footprint. The assessment included a cost-benefit analysis of further actions we could take to reduce our emissions; these actions were either prohibitively expensive, not possible without landlord permission, or offered little reduction in CO₂e. The positive assessment of our London office's carbon efficiency and the limited further steps we could take to reduce emissions associated with the building were a key input into the development of our Scope 1 and 2 targets.

Carbon offsets

As set out in our Transition Plan, we have acknowledged a level of external dependencies and recognise that a significant proportion of our environmental impact will remain difficult to abate in the medium-term. In our approach to 'Measure what Matters', flight is by far the most material element of our currently reported Scope 3 emissions and is an area where we are dependent on the technological transition of the aviation sector. We therefore identify that carbon credits remain a useful tool to allow us to begin our transition towards Net Zero whilst investing in developing longer-lasting approaches to emissions reduction. We will continue to offset 100% of our own operational emissions as part of our transition strategy. Considerable care has been taken to purchase carbon offsets responsibly by ensuring we have clearly defined selection criteria and prioritising project which also have clear social benefits for local communities.

Our criteria for offsets are to:

- Ensure the offsets are registered on a well-regarded carbon offset standard.
- Ensure the vintage is within last three years of the year for which emissions are bought and that the offsets are retired on our behalf.
- Explore new, developing carbon technology to contribute to the advancing of carbon removal techniques.
- Develop a blend of carbon avoidance and carbon removal with a shift towards removal projects given the greater weight in a Net Zero plan.
- Ensure the offsets address Convex's identified priority UN SDGs.

In 2024, we purchased offsets from the following projects:

- **Ugandan Reforestation:** A community-led initiative promoting the sustainable management of forestry resources and encouraging small-scale landholders to reforest and implement community-based forest management plans.
- **Nicaragua Reforestation:** A community-led initiative that helps to restore ecosystems, improve livelihoods, and combat climate change. The project works with smallholder farmers in Nicaragua to grow trees alongside their existing farming practices. It has grown to become the largest reforestation initiative in the country and is now restoring over 11,000 hectares of land in partnership with more than 3,000 smallholder families.
- **Regenerative Agriculture – Bank Farm, Kent:** This project supports the transition of a UK based farm to regenerative farming practices to support nature and sequester carbon whilst maintaining productivity. The project integrates various approaches to environmental restoration, showing significant improvements in soil health and carbon storage. The farm has shifted from cereal production to organic mixed rotations, reducing agrochemical use, and is restoring hedgerows and managing woodlands for wildlife habitat and carbon sequestration.
- **Mandsaur Wind Power Project:** The project supports the production of renewable energy in Madhya Pradesh in India. The project uses wind to generate energy which is exported to the Indian grid system.



In alignment with our long term offset strategy, we have supported a separate carbon offset fund through our impact investments framework, discussed in more detail in principle 3.2. This action also helps mitigate against the risk of rising carbon offset prices, which is a risk noted in our IRO register.

Biodiversity Risk Assessment Filter

Our Double Materiality Assessment highlighted Biodiversity as a material topic for Convex across our upstream, downstream and own operations. To ensure we are appropriately managing the nature related risks and impacts of our operations, we leverage a third-party tool to annually assess our key locations. In 2025, we expanded this assessment to include third party locations that were flagged as material for our Important Business Services in our annual Resilience Assessment.

The external tool utilises spatially explicit data on biodiversity to provide location-specific and industry-specific assessments of biodiversity physical risks and the impact we could be having on nature. Each of our key sites was assessed using a wide range of biodiversity and water scarcity indicators, calibrated from global data sets.

This assessment gave us an overview of the impact our offices can have on biodiversity as well as highlighting potential risks these locations may be exposed too. The assessment showed the risks to key locations can currently be managed within our existing Operational Resilience Framework. We also note that whilst the impact of our offices is not significant, we recognise Bermuda's unique environment and have established 'Greening Bermuda' as a priority sustainability objective which focuses on impact investments that can support and enhance environmental stewardship on the island.

Operations: Sub-Principle 2.2

Engage our employees on our commitment to address climate change and nature, helping them to play their role in meeting this commitment in the workplace and encouraging them to make climate and nature-informed choices outside work.

Engaging employees on sustainability issues is central to our Sustainability Strategy, articulated within the second pillar 'Leading from our Culture'. Our Values are a critical component of how Convexians behave and are linked to everyone's personal objectives. They underpin the distinctive culture of our firm and are therefore fundamental to the experience of being at Convex. This engagement helps address SDG target 13.3 to improve education, awareness-raising and human and institutional capacity on climate change.

Convex has two primary internal channels of communication to raise awareness of climate change and nature related issues among our employees:

- Dedicated Slack channel ("Sustainability-Main") which communicates sustainability and climate related developments to a wide audience. More focussed sustainability channels include "Sustainable-Aviation", "Sustainable-Underwriting", "Impact-Investment", "Sustainable Claims" etc.
- The Convex Chronicle is a regular internal newsletter, including periodic updates on sustainable initiatives such as Convex Seascape Survey, speaker events, etc.

As well as internal communications, we have developed a series of sustainable culture initiatives to help raise awareness across Convex of the need for action at an individual level as well as corporately.



Speaker events at Convex: we host a number of speakers throughout the year to inform colleagues on climate related matters, such as an event dedicated to Climate and Geopolitics, well attended by Convex employees, where we listened to Laurie Laybourn, Visiting Fellow at the Global Systems Institute, University of Exeter and Advisor to the UK Climate Change Committee (CCC) on resilience.

- We held an Emissions Lunch and Learn for employees where we presented on the global emissions profile and the context of Net Zero, Convex emissions profile, our offset projects and an introduction to the Employee Offset Programme.
- These events are budgeted for and planned within our Sustainability Engagement Plan (Appendix 1).
- The Convex Conversation; a weekly podcast hosted by journalist Helen Fospero, often focusses on environmental themes and is popular with employees. Examples in the last year include interviews with:
 - Dr Ceri Lewis, Professor of Marine Biology at University of Exeter, and a lead scientist on Convex Seascape Survey.
 - Barrister & environmentalist James Cameron – one of the leading architects of COP – reflecting on three decades of arguing for a fairer and more sustainable planet.
- We host a number of events where employees can learn of the progress of the science being researched within Convex Seascape Survey.
 - Convex Seascape Survey updated staff, clients and other friends of Convex at an event held in Fishmongers Hall, London, November 2025.
 - In February 2025 we hosted the Convex Seascape Survey (CSS) Kid's Science Day in our London office. The event was run during the school half-term and was attended by over 50 Convexian children. The day included talks by Encounter Edu Scientists who discuss the some of the content from the Live lessons within the Education stream of CSS.
- Since 2022 we have offered an Electric and Hybrid car leasing scheme to give Convexians the opportunity to lease an environmentally friendly vehicle.

Employee Offset program

We have collaborated with an external party to provide a service for employees to easily calculate and offset their own carbon footprints, developing our employees understanding of their domestic emissions and encouraging a lower carbon lifestyle. This program gives employees the opportunity to engage in climate actions and has been accompanied with training on the steps individuals can take to reduce their impact on climate change.

Employee Climate Risk Training Programme

In 2025, we launched a tailored climate related training program for all employees. This program is comprised of science-based learning modules aimed at educating our staff on the science of global warming as well as empowering and engaging our employees in the sustainable transition. The first learning programme consisted of 10 modules and was extremely well received by colleagues; we actively monitor completion rates and have set targets for these. We have a dedicated budget for this training and will release further modules for a second stage of Climate Training later in 2025.

Responsible Pensions

Convex offer employees to join the corporate Aviva pension scheme run by Aviva under its Aviva Future Focus, where responsible investment is integrated into the management of this fund. Aviva is a founding signatory of the UN Principles for Responsible Investment.

Sustainability Initiative Prioritisation

As noted in principle 1.5, the GEC, ESG Working Group and a selection of Convexians from across the business took part in a ranking exercise to identify which sustainability initiatives, either in-flight or proposed, were most preferable. This exercise enabled our employees to take an active roll in refining our sustainability strategy and showcases our culture of engaging employees on climate and nature matters.

Operations: Sub-Principle 2.3

Understand and disclose the sources of emissions and adverse climate and nature-related impacts on our upstream and downstream value chain that might in turn impact our business.

We recognise the importance of understanding and disclosing our emissions footprint and are continuously trying to improve the accuracy and scope of our reporting, particularly with regards to our scope 3 emissions.

Our emissions reporting is aligned with Greenhouse Gas Protocol, reporting emissions under three Scopes (as is reported in Section 4):

- **Scope 1:** This covers direct emissions from owned or controlled sources (of note, Convex is a tenant in serviced offices in all its locations and not, therefore, in control of boilers, plants etc).
- **Scope 2:** This covers emissions from the generation of purchased electricity, steam, heating, and cooling, which we consume. Electricity for our UK and Luxembourg offices is certified from renewable sources.
- **Scope 3:** This covers all other emissions that occur in a company's value chain. Our reporting of Scope 3 emissions currently includes business travel (flights, rail, hotel, taxi), business waste, employee commute and cloud computing services. The inclusion of employee commute and cloud related emissions in our scope 3 disclosures was done for the first time in 2024, and reflects our efforts to continuously enhance our disclosures.

Please refer to 4.2 for our 2024 Group emissions

Understanding value chain impacts, risks and opportunities

We believe that the journey to Net Zero presents some of the most important challenges and opportunities of the coming decade and beyond, and we recognise our role in enabling a responsible transition. Key tenets of Convex's approach to building a resilient business are our long-term thinking and robust risk management, a progressive approach to technology, and a responsible approach to our internal and external stakeholders.

Our DMA acts as our starting point for understanding the risks and opportunities posed by climate across our value chain, with our IRO register containing several material IROs that pertain to our upstream and downstream stakeholders. Having identified these areas we have then sought to further our understanding of these IROs and implement mitigating actions, as noted below:

- We have performed a materiality assessment across all scope 3 categories to ensure we prioritise and disclose those categories that are material (i.e. those that have the most significant environmental and financial impact on the company's overall emissions profile). **(Impact)**
- We have performed an initial calculation of Scope 3 Category 1 – Purchased Goods & Services. This calculation highlighted the need for better data on supplier emissions as the process was reliant on industry proxies, resulting in an outcome was not a fair reflection of our associated emissions. This finding has informed a supplier engagement target in our draft transition plan. **(Impact)**
- We have integrated environmental considerations into our operational resilience assessments to ensure that our strategy is resilient to upstream disruptions that may occur due to climate change, as noted more fully in principle 1.6. **(Risk)**
- We have modelled the cost of continuing to offset our operational emissions footprint in light of projected rises in carbon prices, to better understand the financial implications of this commitment. **(Risk)**
- Engaged and partnered with leading industry specific emissions reporting platforms, such as PACE, to gain real insights into the carbon footprints of our clients and their potential transition pathways so we can better support their transition. **(Opportunity)**
- Performed Biodiversity impact and risk assessment for our own operations and key supplier locations (Referenced in principle 2.1). **(Impact & Risk)**
- Undertook negative impact assessment of our investment and underwriting portfolios, leveraging climate, nature and social indicators to inform our view of impact. **(Impact)**



Financed Emissions

Our recent DMA identified the environmental impacts of our investment and underwriting activities as material, while also highlighting the associated opportunities and risks of quantifying this impact in line with industry-recognised methodologies. We understand that calculating financed and insurance-associated emissions can act as a helpful tool to better understand these impacts, and we are committed to doing so in a manner that offers a fair representation of the emissions profile of our value chain. We are aware that reliance on proxy data is a common issue for the market and wider financial services ecosystem, and calculations based on this data do not accurately reflect the emissions associated with these business activities. Our approach to calculating financed and insurance-associated emissions will therefore prioritise leveraging real data, through our engagement with leading sector-specific data providers and the use of tailored in-house tools. We also fully support efforts to improve emissions data coverage and champion this through our engagement with industry and regulators. By prioritising reliable and accurate data for these calculations, we can ensure more precise and actionable insights which can lead to more effective strategies for reducing emissions. We believe it is better to take a measured approach, waiting until high-quality data is available, and actively pushing to make such data more accessible, as this will lead to more credible and impactful outcomes.

Investments

We currently report on the emission intensity of our investments, as noted more fully in sub-principle 3.1, and we are now undertaking a project to leverage third party emissions data to calculate the financed emissions arising from our investment portfolio in line with the PCAF methodology. We have done significant groundwork in understanding the requirements and scope for collating the required data, which informed the selection of our third party ESG data provider.

Underwriting

We have performed an initial assessment of insurance associated emissions for top clients operating in hard to abate sectors. The selection of priority Lines of Business and clients was informed by the negative underwriting impact assessment performed as part of our DMA. As noted above, our approach prioritises using real data and we have taken several measures to improve coverage:

- Developed AI tool to identify emissions and targets, amongst other data points, from client sustainability reports, transition plans and disclosures.
- Engaged with multiple vendors of emission reporting software targeted at specific industries. For example, we have partnered with PACE who have developed the capability to accurately calculate airline emissions from publicly available flight data, which enables us to understand the emission profile of smaller aviation clients who do not disclose their emissions.
- Developed, as part of a wider group initiative, the ability to accurately map client parent relationships, ensuring that we can maximise the usefulness of emission databases.

Value Chain: Sub-Principle 2.4

Advocate and engage across the supply chain to encourage our suppliers to improve the environmental sustainability of their products and services, and understand the implications these have on our business.

Convex Sustainability Engagement Plan

We believe the most important way to demonstrate our beliefs and approach to climate-related issues is through how we approach these issues as a firm. Long-term sustainability is integral to our approach, starting from the fact that the very purpose of commercial insurance is to support the sustainability of business activities to protect them against the risks that might otherwise threaten their survival.

Our website has a dedicated Sustainability page and is the best source of information on Convex's Sustainability strategy, environmental approach and the implications this has on our business. We recognise the importance of engagement and advocacy in achieving our key Sustainability Pillars of Advancing Transition and Building Resilience and so assess a variety of methods of achieving this for different stakeholder groups.

We therefore have assessed climate related implications for different stakeholders and created a climate engagement strategy to focus on these. We recognise the different needs and perspectives of stakeholders, which then informs the strategy to take in terms of engagement, advocacy and awareness. Our supply chain engagement is further outlined in Section 2.6.

We appreciate the growing desire of our stakeholders to understand not only our own approach to sustainability and the progress we are making but also how we can help broaden their understanding of climate related issues which may impact them and their business directly or society more generally. Our approach to identifying the different ways of engaging with stakeholders is further outlined in Section 2.6.

Implications of climate risk for our stakeholders

As a first step to ensuring that our strategy takes account of stakeholder interests, Convex has identified the following stakeholder groups, the respective implications of climate related issues for them and methods of engagement.

We then develop a plan for how to engage most effectively for the year ahead and beyond.

This engagement strategy needs to remain flexible to allow us to regularly assess where we may want to increase or change methods of engagement.

For example, we identified in 2025 that in order to understand and implement efforts towards a greener claims process, we would need a dedicated engagement action plan with brokers, loss adjusters etc.



Stakeholder Group	Climate Change Implication	Engagement methods
Investors	Our investors seek assurance that the Group is managing climate related risks effectively as well as broader expectations in terms of our commitments to the principles of ESG including transition planning.	We supply our investors with climate risk metrics and keep them informed of our management of climate risks and progress to meeting our climate goals.
Clients	Policyholders have increasing expectations on their insurers in terms of their commitments to transition and in their management of climate risks to be assured of the resilience of the business. We seek also to engage with clients on environmental implication for the claims process.	Our key access to insurance clients is via brokers, hence our engagement with brokers is a key route identified to advocate and engage with client on climate issues. Our insurance clients are also an area of focus whom we engage with either directly or through industry forums.
Management (Board and Senior Executive)	The Group's Board and Executive Management Team are accountable to shareholders for the management of risks within the business, including climate risks.	Management are informed of climate related matters as outlined in Principle 1.
Employees	Convex employees expect a responsible business approach from its employer, and have a need to understand the risks and opportunities of climate change to the business.	We engage and raise awareness to employees in a variety of ways as described in 2.2, such as through external speakers, training, and science awareness.
Regulators	The Group's regulators (eg BMA, PRA, CAA) set out their growing requirements around climate related reporting and disclosures, such as SS3/19, TPT, ISSB (TCFD) TNFD, Lloyd's.	We report to regulators on our management of climate risks and opportunities. We further regularly engage in consultations, lobbying efforts as described in 2.7.
Brokers and Peers	Convex recognises the benefit from collaborating with its peers and intermediaries to advance progress in understanding the impact of climate risk on the insurance sector, in developing tools to better manage this and in the collective ability to positively influence transition.	We engage frequently with brokers through industry climate forums such as ClimateWise, IDF. We also actively participate in roundtable discussions and other events hosted by brokers, as described in the engagement plan.
Procurement	Convex is aware of its responsibility to use its position and influence to promote the adoption of sustainable practices among its suppliers and partners.	Group procurement policy and process ensures we assess and engage with our key suppliers on environmental management as outlined below.
Other Stakeholders	Other stakeholders with a financial or other interest in Convex e.g.: • Our reinsurers partners, who in developing their own ESG policies and transition plans require increasing levels of transparency of their cedant's position as well as understanding our climate risk management approach. • Rating agencies (eg AM Best, S&P) are interested in understanding how Convex manage climate change and the broader risks of transition, from both a risk and opportunity perspective. • Other groups, include civil society groups with an interest in how institutional investors are supporting the global energy transition.	We furnish our broader stakeholders with: • Sustainability and climate related reports. • Progress with regard to transition arrangements. • Data requirements such as fossil fuel and renewable energy related revenues. We further engage with such stakeholders through industry forums and dedicated climate related meetings.

When considering our supply chain we have certain dedicated processes and initiatives to enable us to encourage our suppliers to improve the environmental sustainability of their products and services, and understand the implications these have on our business.

Procurement Policy and Process

Our Group Procurement Policy, in keeping with our support of SDG 13, (notably 13.2 integrating climate change strategy to our business) includes a Responsible Procurement section which seeks to manage our procurement processes in order to:

- Promote practices that reflect responsible environmental management, consistent with the locations in which the business is operated.
- Reduce the full life-cycle impact and cost of products and services, in particular waste disposal, where possible.
- Understand the Greenhouse Gas emission profile of key suppliers and their plans for emission reduction in-line with Convex's own transition plans.
- Promote the adoption of sustainability due diligence practices by suppliers in choosing their own suppliers.
- Implement supply chain management processes and practices that support Convex in meeting its own sustainability-related obligations and objectives.

Day-to-day responsibility for the policy lies with Head of Procurement. However, as a step to ensure that sustainability considerations are being appropriately prioritised, the HoS reviews and approves the ESG profile and policies of all Tier 3 and material suppliers.

Alongside the Group Procurement Policy, Convex expects its suppliers to adhere to its Supplier Code of Conduct. This policy sets out the ethical principles that will govern the relationship between the two parties. These include a requirement that suppliers should adopt processes that 'support sustainability of the environment throughout their supply chain'.

Modern Slavery

Convex takes a zero-tolerance approach to slavery and human trafficking and is committed to ensuring that there is no slavery or human trafficking in our business or supply chain. We are committed to integrity in the conduct of our business and the requirement that all Convex's employees perform their duties in a manner which is legally, ethically, and morally irreproachable. Our Convex Values and our internal policies relating to conduct and financial crime are applicable across the Convex Group.

Our procurement policy highlights the need to consider slavery and human trafficking issues when selecting and engaging with suppliers, and we require tenderers to confirm that they have processes in place to ensure that slavery and human trafficking does not exist in their business or supply chains. Bidding suppliers are required to include their relevant policies and procedures as part of their tenders.

Claims

We endorse initiatives for a sustainable approach to insurance claims and are looking to develop more sustainable approaches to the claims process. For example, Convex joined the Geospatial Insurance Consortium ('GIC'), a collaborative technology platform for insurers, which combines high resolution satellite imaging with AI decision making to expedite and simplify claims processing. As well as improving customer satisfaction, the technology also reduces the need for loss assessors to travel to the site (by enabling remote assessment of the damage), thus reducing Scope 3 GHG emissions from claims processing. Convex has used this technology to assess US catastrophe wind claims.

Our Head of Sustainability, through her role as deputy chair of the Sustainability Committee of the IUA, has engaged with brokers and industry peers to discuss integrating build back better schemes into the claims process.

Offices

We have engaged with our building providers to assess their transition plans for gas to align with their current practice of using renewable electricity to inform our Scope 1 & 2 targets. The building management of our London office have developed an energy saving plan with targets as part of the BREEAM In Use accreditation.

Cloud Computing Providers

We have engaged with the supplier of our cloud computing services to discuss and understand their decarbonisation plan. We recognise the importance of developing our understanding and reporting of our scope 3 emissions, as noted in sub-principle 2.1.

Innovate and Advocate: Sub-Principle 2.5

Support and undertake research and development to inform current business strategies, develop new products, and help support and incentivise our customers and stakeholders, including affected communities, in adapting to and mitigating climate and nature-related issues.

Our Sustainability strategy centres around three core principles, which include a focus on Advancing Transition and Building Resilience. This links to our broader corporate strategy (as noted in principle 1.5) of;

- Being our clients favourite insurer'; supporting and helping advance their transition plans and developing new products.
- Use of data and technology for enhanced decision making'; improving our understanding of climate-related risks and how this builds resilience.

We recognise that in order to maintain a competitive position in the P&C re/insurance sector we need to understand both risks of climate change and the opportunities afforded by the transition to a low carbon economy. This was a clear outcome from our Double Materiality Assessment and is reflected in our IRO register, where we identify researching and developing new products as a key business opportunity, and in keeping with our corporate goal of 'being our clients favourite insurer'.

Examples of our climate and transition related new product development;

- Convex has developed the capacity to offer Carbon Capture and Storage insurance protection for a major energy client. Refer to principle 3.3 for further details.
- Convex is growing and shaping the underwriting of offshore wind both in its Energy and Casualty lines. We have adapted wording to allow the placement of the construction liability component of the largest offshore wind project in the U.S. Convex was able to provide bespoke clauses to create an appropriate solution.
- For physical damage, Convex leads one of the principal offshore wind developer operating programs with multiple windfarms. In addition, we have prominent positions on almost all the large programs, and those of many of the offshore transmission operators. We continue to support the energy transition for offshore wind and currently participate on 18 construction projects globally and aim to grow this as industry constraints permit.
- Another manufacturing client of Convex is pioneering the build out of battery recycling facilities, a crucial step in transitioning battery technology to a more sustainable footing.
- In keeping with our focus on sustainable aviation, we have subscribed to PACE aviation emissions data to help our understanding of how this sector is decarbonising.



Our research that we have sponsored or undertaken on climate change;

We recognise that there is considerable emerging risk associated with climate change and are committed to proactively addressing these risks through comprehensive research, strategic investments, and innovative product development.

Climate Tipping Point Research

We recognise the limitations of the catastrophe models we use to inform our assessment of hazard and exposure risk, particularly in the context of a changing climate. We address this in part through the model enhancement we can source as outlined further in Section 3.3. However, we are also aware that Climate Tipping Points (CTP) are an increasingly well researched theme but not currently considered in the models we use.

In an attempt to inform ourselves better of CTP and their potential impact, in July / August 2024 we commissioned a Convex intern to undertake a research project on Tipping Point risk, "Re/insurance in the age of climate tipping points". The task focused on four key climate tipping points (CTP), reviewing scientific literature, with the aim of assessing the most abrupt and severe forecasts, and what this means for the insurance sector.

While all tipping elements present significant risks to both society and the insurance industry, the analysis concentrated on those identified as the most imminent threats: the West Antarctic and Greenland ice sheets, the Atlantic Meridional Overturning Circulation (AMOC), and the Labrador and Irminger Seas subpolar gyre (SPG). There was consideration of how these CTP's may impact key perils to Convex such as tropical cyclone and flood.

We are aiming to better understand:

- Which tipping points are most relevant to our portfolio of re/insurance.
- What are the risk indicators of the tipping development path (as opposed to the pure tipping point)?
- Are there loss implications (in a 5-10 year time frame) from this which our current exposure management doesn't consider?
- Can we identify warning indicators of this likelihood increasing?

The resulting paper from this work was reviewed by a range of stakeholders within Convex and continues to be an area for further research and risk impact assessment in the firm. We further shared and discussed the nature of this work and its findings at an IUA Climate Risk Working Group meeting in February 2025.



Development of Magniphi by Maximum Information

In our IRO assessment process, we recognised the need and value of Climate Scenario Analysis to better understand the impact of climate risk on our business. Through the focus of our work on Project Berlin and the near-term implications for our business, we have supported the development of a climate change focussed loss sampler tool 'Magniphi' developed by Maximum Information to allow for scenario analysis to be conducted based on a tailored, own view of risk. This tool draws from scientific and climatic findings, to perform resampling of existing event sets representing alternative climate scenarios.

We have now licensed the Magniphi tool, undertaken a workshop to understand the use case and will be using this in our climate scenario work in the course of 2025. This tool will be a useful component of our CSA approach, outlined in principle 1.10.

Oasis

As highlighted above, our strategy is to ensure we use data and technology to understand the evolving risk profile of hazard risk, in order not only to mitigate risk but to continue to insure perils exposed to climate change. We therefore support industry efforts to mitigate the Protection Gap where certain catastrophe perils such as wildfire and flood become increasingly challenging to insure.

In this vein we support the work of Oasis, which offers open source catastrophe modelling platform, free to use by anyone. As a reinsurer many of our insurer clients are connected to Oasis and hence will benefit from:

- A platform for running catastrophe models, including a web-based user interface and an API for integration with other systems (Oasis Loss Modelling Framework).
- Core components for executing catastrophe models at scale and standard data formats for hazard and vulnerability (Oasis tools).
- Toolkit for developing, testing, and deploying catastrophe models (Oasis Model Development Toolkit).

Oasis is also a key tool for the work of the Global Risk Modelling Alliance, as described in 2.6.

Insurance Development Forum / Global Risk Modelling Alliance and Climate-related support and tools

Convex is a member of the IDF and is particularly involved in the risk modelling programme as sponsor and contributor – see full details in Principle 2.7. The GRMA is dedicated to providing the tools and sharing of the re/insurance sector's risk analytics capability to enable quantification of natural hazards and improved disaster risk management. This piece of work will increase awareness of risk and access to risk analytics capability in vulnerable countries and thus impacting affected communities.

Geneva Association

Similarly, through our membership of the Geneva Association, we are contributing to research that seeks to expedite the transition to a more resilient, low-carbon and nature-positive economy.

Climate Awareness in Investing

As outlined in Principle 3.2 we have a dedicated impact investment strategy which is an important feature of our work on supporting our Sustainability Strategy's pillars of Advancing Transition and Building Resilience.

We aim to address the SDG's identified in our Sustainability Strategy through our impact investments. In line with target 9.1 of SDG 9 Industry, infrastructure and Innovation, we recognise the potential impact of our investments in supporting the development of sustainable infrastructure to support economic development.

In 2025, we were one of a group of six founding investors in the IDF led Infrastructure Resilience Development Fund, as more fully described in 3.2. Our ESG Investment Lead and Head of Sustainability were active in the creation and design of this fund, that directly targets infrastructure in emerging markets, aiming to develop both physical and economic resilience in these geographies following strict impact criteria, often climate linked.

In order to highlight the purpose and impact of this strategy, the HoS and our ESG Investment Lead have spoken on panels focussed on impact investment. The purpose of this is to encourage both insurance peers and clients, as well as other investors, to lean into this much needed and effective way to catalyse the developing economy around transition and the importance of the global effort to decarbonise the economy. In addition to impact investing, we leverage our strategic investment strategy to identify high growth companies that are focused on developing new capabilities and/or improving in the insurance sector. Our strategic investments enable us to deliver on our strategic pillars and create sustainable growth opportunities, advancing our current business strategy together with our impact investments.

Product and Policy Development

In alignment with our Group Strategy, our strategic investments framework aims to support the growth of our business through investing in technology-enabled, high-potential companies that develop innovative capabilities for the insurance sector.

Our approach to sustainability is integrated into this framework, exemplified by investments in firms like Advanced Technology Assurance Limited (ATA) that will drive both business success and have a positive environmental impact.

ATA, for whom we have provided cornerstone financial investment and underwriting capacity, is dedicated to powering tomorrow's economy by offering fit-for-purpose insurance products that protect and enable the growth of industries shaping a more sustainable future.

ATA's team of highly technical underwriters manage advanced technology risks across various rapidly evolving sectors in an exceptionally straightforward manner. ATA is committed to supporting industrial transformation, electrification, automation, and computing at scale – contributing to a smarter, more sustainable world. ATA invests significant resources in developing new risk models, new policy language, and new coverages that enable the adoption of technologies, services, and business models.

Internship Opportunity

Convex sponsored a fully funded internship at BIOS for Orlando Timmerman, a PhD student at the University of Cambridge for the 2024 UK Associates of BIOS Convex Internship. Orlando's academic focus is the application of AI to predict the current and future status of coral reefs and at BIOS later this year he will be working with Dr. Eric Hochberg on a project entitled Machine Learning to Predict Coral Reef Futures. This work will contribute to the goals of SDG 14 (Targets 14.2 and 14.3), one prioritised by Convex in our Sustainability strategy.



Innovate and Advocate: Sub-Principle 2.6

Promote and actively engage in public debate on climate- and nature-related issues and the need for action by publicly communicating our beliefs and strategy on climate and nature related issues and providing support and tools to our customers/clients so that they can assess their levels of risk.

Our approach to public engagement

As a business with a direct interest in the success of societal efforts to mitigate and adapt to climate change risk and as a responsible insurer, we recognise the role of corporate influence on climate change and to positively influence the development of policy.

We engage in partnerships and projects to help inform the understanding of climate change, of the threats to nature and biodiversity, and the collective effort to enable the transition to a less carbon intensive, sustainable world. Following the areas identified of higher materiality both from an impact and risk perspective, particular focus areas for Convex engagement are:

- Physical risk from climate change as an aspect which is fundamental to the success of Convex and the important role of insurance in resilience.
- Protection Gap; improving risk mitigation in the developing world and increasing the footprint of insurance capability.
- Transition related opportunities and the role of insurance.
- Nature based risks and the importance of science in developing our understanding of this.

These areas of focus drive our prioritisation of public and industry climate engagement, as set out in the Sustainability Engagement Plan and articulated further below.

We are further active in raising awareness and giving feedback on the extensive developments in sustainability regulatory reporting in the jurisdictions in which we operate, being the UK, Bermuda and the EU. As is described in 2.7 we will regularly participate in regulatory reporting consultations (such as for CP10/25, CSRD) to help ensure climate related reporting is transparent, effective and relevant.

Our Group Head of Sustainability has undertaken Business Sustainability Management and Sustainable Finance courses at the University of Cambridge Institute for Sustainability Leadership (CISL) which has enhanced her understanding and awareness of sustainability challenges and opportunities, which supports our internal and external engagement in this domain.

Through participation in a number of public climate and nature related panel events she has been active in driving engagement and raising the voice of climate action both in the insurance sector and the wider public. This was recognised in 2024 when she won Climate and Sustainability Champion of the Year.



We seek to focus our efforts in areas which align to our internal view of the key risks and the transition related challenges we face together with areas of social or environmental importance where we believe we can be impactful.

The three Guiding Principles of our sustainability strategy reflect this engagement: Building Resilience; Leading from our Culture and Advancing Transition.

These principles and their defined goals, drive the framework of our engagement and action on climate related issues and is demonstrated through the Sustainability Work and Communications plan. We have developed our Sustainability Engagement Plan to support the objectives described above and to align with our Sustainability Strategy. This plans our engagement on a two-year timeframe in order to:

- Identify stakeholders whom we want to influence and share our knowledge;
- Identify the different climate related information and knowledge which we will share and;
- Identify the seminars and relevant forums for sharing with respective stakeholders.

We identify the different levels of engagement with different stakeholders;

- Engagement
- Advocacy
- Awareness

We plan our engagement aiming to address stakeholders described above and the most effective methods to reach these audiences. For example, as much of our business is through brokers, we recognise that engaging with brokers is one of the most effective routes to influencing and raising awareness with clients. Likewise, insurers are a key client base given that 40% of our business is reinsurance and so our engagement in industry roundtables and climate related committees is key to a continued and progressive climate-based dialogue within the insurance community.

The extent and nature of the climate focused engagement of Convex in the last year is detailed in our Sustainability Engagement Plan. This demonstrates how Convex is active at climate and nature related seminars within the insurance sector, as well as events with the broader public, science and NGO communities. Examples of this include:

- **CISL, Downing College, Cambridge, Sept 2024;** HoS delivered an address to the Malaysian finance sector and participated in a workshop, aiming to broaden their understanding of the role of insurance in the context of transition and climate resilience.
- **Infrastructure investment;** OECD Conference, Paris 'Mobilising Private Finance Towards 2030 and Beyond'. May 2025 reported on the themes and opportunities discussed to ClimateWise Management Committee.
- **Marsh/Oliver Wyman Round tables;** HoS has attended a number of roundtables to discuss the Energy Transition and the role of insurance with participants from UK government, other insurers and industry.

- **Insurance Institute and Climate Pursuits Future Leaders' Nature Summit;** our Sustainability Lead attended, and presented at, the 2025 gathering focused on expert discussions regarding advancing sustainable practices and environmental conservation through innovative solutions.
- **Sustain Insurance Festival, March 2025;** Convex hosted a 'Nature Based Solutions' event during this dedicated insurance sustainability festival, welcoming a mix of colleagues from brokers, insurers and Convex employees. We hosted three speakers to present on different themes:
 - Nature Broking on nature based offsets focussing on regenerative farming.
 - Oak Re on the role of insurance in unlocking nature based finance.
 - Convex presenting on Convex Seascope Survey and the importance of nature based assets.

Leadership Engagement

Our approach to sustainability has benefitted from the leadership of our founder and Executive Chairman, Stephen Catlin. As noted in the Introduction, Stephen has been a long-term advocate of the need for greater and more concerted action to combat climate change and has sponsored several scientific research projects to increase understanding of the many ways that climate change can adversely impact the natural world. This first stemmed from the Catlin Arctic Survey in 2009 and the later Catlin Seaview Survey in 2014.





Convex Seascape Survey (CSS)

Developing our understanding of nature-based risks is vital for climate change mitigation and resilience. It enables better risk prediction, informs adaptive strategies, and safeguards ecosystems and communities. In order to enhance resilience strategies for the communities we insure, it is imperative that we develop our knowledge and science of nature-based risks.

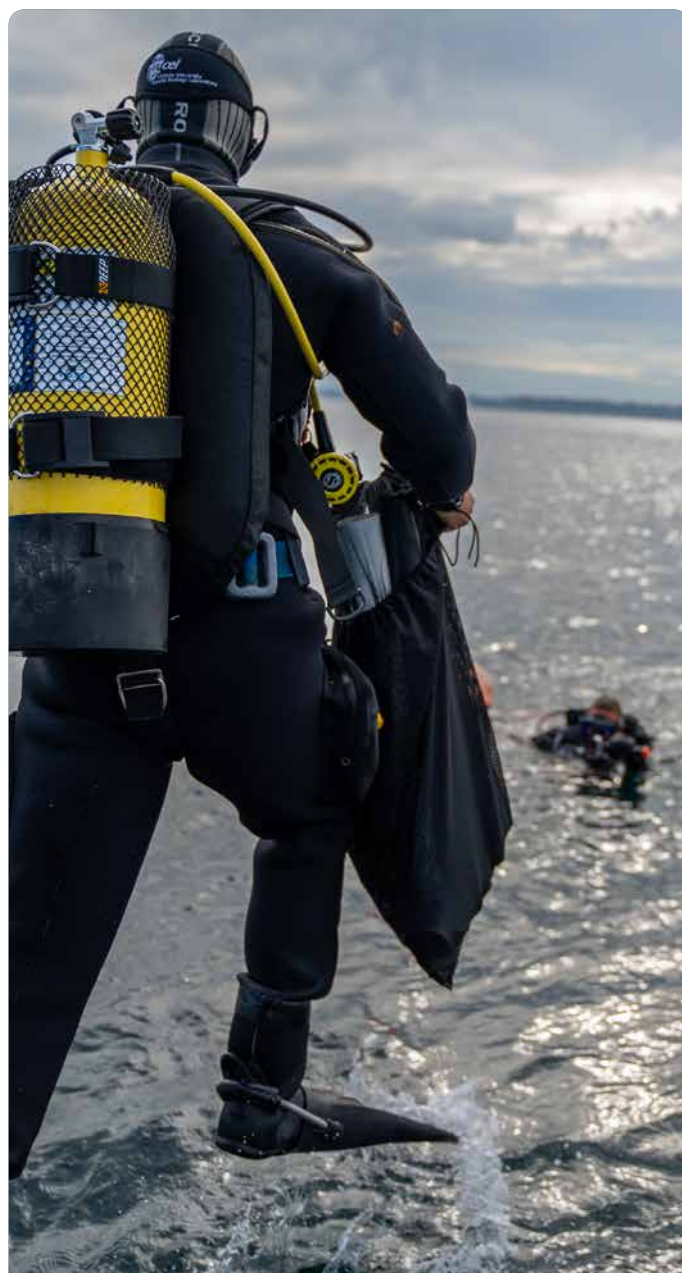
Driven by our prioritisation of SDG14 Life Below Water, notably targets 14.2 and 14.4, we sponsor the Convex Seascape Survey, a major climate research project which sees Convex collaborating with Blue Marine Foundation and scientists from the University of Exeter to improve our understanding of the carbon sequestering capacity of the seascape and the role it could have in slowing global warming. This area of nature has received limited material scientific research previously and so the support of Convex allows this to significantly scale the work academia has been able to undertake.

This five year pioneering research project developing open-source data will determine:

- Seascape carbon – where is it, how and when did it get there and where did it come from?
- The historical impact and spread of human influences on the seabed.
- The role of life and biodiversity on seascape carbon stores and benefits of protection.
- Deliver Ocean and nature related Communication, Education and Outreach

CSS brings together the necessary interdisciplinary depth, global reach, bold ambition and resources needed to tackle such a challenging problem. What is becoming increasingly clear is how interconnected the workstreams are; assessing the impact of trawling or other human disturbances on seabed carbon stores must inevitably consider the nature and origins of the carbon and the role of marine life buried therein.

The Year 3 CSS Annual Report (published 2025) provides further detail of the progress made and project status. As the third year of the Convex Seascape Survey draws to a close, the project is at an exciting intersection where model refinement, fieldwork, and data analyses continue apace, but we also begin to see scientific milestones reached as the first papers are published. These discuss drone imaging methodology, historical oyster reefs, and the air-sea exchange of carbon, set an exciting path for a flurry of burgeoning results in year four. As our research progresses, the survey's profile also grows, with frequent coverage in top-tier publications and over 750,000 learners engaging with our education programme to date, all building awareness of the ocean as our greatest climate ally.



CSS example highlights from 2024/2025:

- Field expeditions to Jersey and New Zealand collected crucial data to support our investigations into the origins of the carbon in the seabed and the impact of human disturbance.
- In Antarctica research was undertaken by project partners KAUST to define the contribution of great whale populations on carbon sequestration in the ocean.
- Further fieldwork in Millport, Scotland, generated interesting results adding new information to what we understand about the role of benthic invertebrates in organic carbon movement within the seabed.

CSS specific engagement

See Appendix 1 for further details of stakeholders addressed, objectives etc.

- In November 2024 we hosted an event at Fishmongers Hall. Key project lead scientist, Prof Callum Roberts introduced the subject of seascape carbon and our lines the work of the project. This helps educate our broader community on the relevance of blue carbon, the role of biodiversity and the impact of human disturbance on the seascape.
- Prof Callum Robert presented on CSS to ClimateWise Ideas exchange (Sept 2024) with representatives from industry to educate and raise awareness on the role of seabed carbon in the carbon cycle.
- UN Ocean Summit, June 2025 ; Convex held a roundtable dinner to discuss 'Mobilising Capital in the Blue Economy: How can Finance and Robust Science can Unlock Ocean Regeneration'.
- UN Ocean Science week, June 2025; CSS project scientists presented the project and its progress at a number of events.
- ORRAA; Convex has joined Ocean Risk and Resilience Action Alliance to engage on ocean action; develop further awareness of the work of CSS and collaborate on coastal risk resilience and insurance solutions for ocean protection.
- Education workstream; Released a series of live (and recorded) lessons on Ocean and Climate; these are available entirely free of charge and accessed by a range of schools globally. Notably through Convex Seascape Survey the role of the ocean in the carbon cycle has now been formally incorporating this in the UK school curriculum).
- The dedicated Convex Seascape Survey Website and Social media channels and closely track engagement. This allows the project to reach a wide variety of stakeholders including the young.

Convex maintains a Schedule of Sustainability Engagement which tracks the audience, type of stakeholder and engagement method, numbers reached etc.

Please also see our work with the IDF in principle 2.7.

Social Media

Acknowledging that clients and the wider public prefer to receive information in a range of formats, Convex makes use of social media, including LinkedIn (26k followers) and Instagram (670+ followers). We use social media to inform our clients about the work we are doing, to share employees' social and environmental contributions and to expand the conversation on a variety of topics. Posts have included:

- Raising awareness of developments at events such as COP and notable climate conventions.
- Expanding the conversation around ocean health through our regular updates on the Convex Seascape Survey.

The HoS is an active member of LinkedIn (with 1600+ followers) and frequently posts news items or posts concerning advances in climate related technology, how society and cities are adapting to living with a changing climate and advances towards a lower energy and decarbonised world.

Innovate and Advocate: Sub-Principle 2.7
Where appropriate, work with policy makers and share our research with scientists, society, business, governments and NGOs in order to advance a common interest.

In 2.6 above, we have described Convex's engagement in a number of governmental, science and industry events to help drive forward the role of insurance in mitigating the impact of climate change, in disaster risk financing and to leverage the impact of academic institutions in the research they conduct as concerns climate and biodiversity.

We recognise the role we as insurers play in informing and shaping climate related regulation and disclosures. The PRA consulted in Q2 2025 on their proposals on updated supervisory expectations for banks and insurers, to help manage the effects of climate change on their businesses, and thereby maintain the essential services they provide to the economy. Convex responded to this consultation and also participated in a number of industry workshops to discuss this through ABI, IUA, and help by the PRA themselves.

Our work with policy makers and sharing research is often through some specific institutions and associations which we support and where we are actively involved, described below.

CSS and the broader science and NGO community

We have outlined in 2.6 the significant role of CSS in raising awareness and informing the science, policy, and education communities (as shown in above) of the importance of the oceans and marine life in the carbon cycle. This is often at important climate conferences such as COP, UN Ocean Conference to ensure engagement with policy makers and advancing common interest.





ClimateWise and CISL

Convex's involvement with ClimateWise is another important example of collaboration. Our Executive Chairman has a long association with ClimateWise having been an active member of the Council since its inception. Our HoS is a member of the ClimateWise Management Committee and was an active member of ClimateWise Principles Working Group. In the last year, we have participated in several meetings of the ClimateWise Ideas Exchange, including in September 2024 when Prof Callum Roberts, lead scientist on Convex Seascope Survey, presented an update on the key findings and progress of the project to ClimateWise members.

ClimateWise is convened by the University of Cambridge Institute of Sustainability Leadership (CISL) who develop and offer a high profile and well recognised Sustainability leadership learning programmes. In October 2024, our HoS, at the invitation of CISL, presented to the Malaysian Finance Community as part of the Sustainable Finance Programme. The purpose of this was to share Convex's strategic approach, while providing insights into climate change-related risks and opportunities and showing ways in which Convex and its employees can actively engage in sustainable practices.

Our HoS has also contributed to a new CISL course titled 'Sustainable Finance Foundations: Banking, Investment & Insurance' where she was interviewed to present the insurance perspective in Module 4 'Discover leading practice in the finance sector.'



Insurance Development Forum

A key and growing area of concern in the face of climate change is how natural catastrophes have a devastating effect on affected communities. The gap between those communities with insurance and resilience measures and those without is recognised as the Protection Gap, which is a material risk in our IRO Register. In line with our focus on SDG 13 (specifically 13.1 strengthening resilience in all countries) we seek to support how the insurance industry can mitigate the Protection Gap in a number of ways.

A key focus of our work to address this is through our active engagement in the Insurance Development Forum, an organisation whose mission is to extend the use of insurance in the developing world and develop the use of related risk management capabilities for countries especially vulnerable to climate risk.

Stephen Catlin is a member of the Steering Committee of the IDF (having been its inaugural Chair from 2016 to 2018) and Rachel Delhaise is a member of the Operating Committee.

Convex is a lead sponsor of the Risk Modelling Steering Group (RMSG) of the IDF, where the Head of Sustainability is co-chair and plays an active role in the focus and direction of the RMSG, specifically their support of the Global Risk Modelling Alliance (GRMA). GRMA is a unique partnership providing private and public risk expertise, helping to build empowered, resourceful, climate and disaster-resilient communities. The IDF has been instrumental in establishing the GRMA with the intention of enabling insurance to mitigate the impacts of climate change on the most vulnerable countries (the V20). The associated projects are led by a tripartite arrangement between IDF, UNDP and BMZ, involving close partnership with local governments.

In the last year, as co-chair of RMSG, our direction and input has contributed to the following projects;

- Development of the Global Exposure Model (GXM); possibly the world's most complete buildings database, developed from multiple sources by GFZ in Potsdam. It currently covers 93% of the planet's buildings, and updates at the rate of 140,000 new inputs daily. This will be available as open access for emerging markets.
- GRMA now formally operational with the governments of Pakistan, Madagascar, Ghana, Costa Rica and Nigeria, and 7.4m Euros currently allocated for new open models and data in these countries.
- RMSG is supporting initiatives towards standardised global risk metrics. Working with UNDRR's investigation into cohering one single set of global risk metrics, we are maintaining oversight of the Resilient Planet Data Hub.

Our Head of Sustainability has also been actively engaged in the work the IDF in association with the Bridgetown Initiative. The Bridgetown Initiative aims to reform the global financial architecture, particularly in the context of climate change and development finance. It addresses the need for increased and more accessible financing for developing countries, especially those vulnerable to climate change. The joint work with members of the IDF has resulted in a paper "From Risk to Resilience, How Insurance can mobilise Disaster Finance and Climate Investment in Vulnerable Economies". This will be followed up by continued workshops to develop and implement the recommendations.

UN Sustainable Development Solutions Network (SDSN) Position Paper

Convex Group Head of Sustainability contributed to this paper titled 'Insurance and Sustainable Development: partnering on risk, resilience, and transformation'. This 70-page paper has been published by Dublin University Press where she is recognised as a research participant. The report highlights the critical role of the insurance industry in achieving the UN 2030 Agenda for Sustainable Development. It calls for mainstreaming insurance solutions, enhancing multi-stakeholder partnerships, and scaling financial resources to drive sustainable transformations.



International Underwriters Association (IUA)

The HoS is a previous deputy chair of the Sustainability Committee of the IUA and remains active in both this committee and its sister Climate Committee. She has also been active in the creation of working groups of the IUA Climate Risk Committee to look into further aspects of Physical Risk, Transition Risk and Litigation Risk.

The Committee also reviews and feeds back on current regulation and standards out for consultation.



Association of British Insurers (ABI)

Convex is a member of the Association of British Insurers whose mission includes being the public voice of the insurance sector, promoting the value of its products and highlighting its importance to the wider economy.

The ABI have published a Climate Change Roadmap (updated in July 2023). This sets milestones that must be met by 2025 to keep the insurance sector on track by halving emissions by 2030 and reaching Net Zero by 2050. Our HoS is a member of the ABI Climate Committee which reviews progress against the goals.

The ABI Climate Change Roadmap focuses primarily on our sector's role in supporting the delivery of the UK's Energy Security and Net Zero strategy, identifying areas where the membership can collaborate to drive meaningful action. The ABI Climate change roadmap is centred around 4 Pillars:

1. Meeting Net Zero by 2050
2. Unleashing Investment Capacity
3. Sustainable Industry Operations
4. Helping Society Adapt



Association of Bermuda Insurers & Reinsurers

Association of Bermuda Insurers and Reinsurers (ABIR)

Convex through the engagement of its Executive Chair and other management, is closely supportive of the work of ABIR. Notably in the last year as a member of its Climate and Sustainability committee, the HoS has been active in the industry consultation on the proposed BMA Climate Disclosures. It is important for industry to work closely with regulators to ensure that reporting requirements are practicable, purposeful and aligned to other international reporting requirements where appropriate. In this consultation it has been useful to bring our experience from the European perspective where climate and broader sustainability reporting – including the developments in nature-based reporting – is more developed.



2025-2026 Planned Actions

- Publish Transition Plan.
- Develop a summary view of key supplier transition plans and climate risk exposure.
- Calculate Insurance Associated Emissions of Aviation portfolio using PACE data.

The background is a solid teal color. A large, curved, white, abstract shape, resembling a stylized 'C' or a swoosh, starts from the left edge and curves upwards and to the right, ending near the top right. It has a soft, ethereal quality.

Principle 3:

Enabling Transition

 2024-2025 Planned Actions Drive forward impact investment strategy.	 Progress Significant progress has been made in impact investment strategy under our Head of Impact Investments, committing to three new funds (IDRF, Stafford, ImpactA). Our report has been expanded to give this area more focus.
Implement ESG investment data provision for fixed income portfolio.	Work ongoing to leverage S&P ESG data to reproduce the ESG metrics we receive from JPAM/Conning. ESG investment metrics are reported quarterly via Head of Investment.

Investments: Sub-Principle 3.1

Integrate consideration of climate- and nature-related risks and opportunities into investment strategies and decision-making.

Our approach to responsible investments

At Convex, we believe sustainable investing is both a responsibility and an opportunity. Our strategy is built on three core principles, ensuring we align long-term value creation with positive environmental and social outcomes:



Investing in a Sustainable Future

We embed environmental, social, governance (ESG) considerations into our investment processes because we believe sustainability drives better outcomes—not just for society, but for our portfolio. ESG helps us manage long-term risks, enhance resilience, and capture emerging opportunities as the world transitions to a more sustainable, low-carbon, and inclusive economy.



A fully Integrated ESG Lens

We apply ESG analysis across our entire balance sheet. This means evaluating exposures holistically—on both asset and liability sides—to identify risks and inefficiencies. This integrated lens supports smarter, more resilient investment decisions across the business.



Driving Impact with Intent

We believe financial performance and positive impact go hand in hand. Through our impact investment strategy in place since 2022, we direct capital toward areas where we can deliver measurable environmental or social outcomes—alongside strong financial returns. Our focus includes sectors like climate resilience and sustainable infrastructure, where we believe our capital can help drive real-world change.

Integration with the CRMF

Our DMA process closely considered our investment portfolio, identifying several material investment related IROs, which have informed the approach outlined above.

Notably our DMA process validated our approach to impact investments, highlighting the positive impacts and opportunities associated with our framework.

Investment Portfolio Overview

As of December 31, 2024, Convex's investment portfolio is valued at \$6.2 billion. It primarily focuses on investment-grade fixed income, including corporate bonds, government securities, and structured credit. These are complemented by diversified allocations to equities, alternatives (such as infrastructure and impact investments), and strategic assets.

Our portfolio is well-diversified across both public and private markets. It includes strong allocations to government securities, financials, and structured credit, with additional exposure to consumer, industrial, energy, technology, and utility sectors. We also maintain meaningful investments in private markets, infrastructure, and impact strategies. Geographically, the portfolio is primarily US-focused, complemented by holdings in Canada, the UK, Europe, and Japan.

Despite some longer-term exposures, most investments are short term, with an average fixed income portfolio duration of 2.6 years as of 31 December 2024. As our portfolio maintains a significant allocation to sovereign debt, alongside high-grade corporate (and importantly, minimal equity investment), our Transition risks exposures are limited. These results were confirmed by a recent stress test exercise.

At a high level, there are three elements to our \$6.21bn investment portfolio:



The first is our core fixed income portfolio



The second is our risk asset portfolio



The third is our impact investments

Our overarching approach is informed by our three key principles, but the integration of sustainability considerations is distinct to each portfolio component, noted in sub principle 3.2.

We have committed over \$90mn across different impact investment mandates.

Investment Portfolio Metrics

To understand and quantify our overall risk exposure to ESG and climate related themes, our asset managers provide quarterly reports, which include a detailed assessment and rating of our investment portfolio on carbon intensity and ESG metrics against relevant benchmarks.

Key Metrics and Analysis:

As part of quarterly reporting, Convex's core fixed income managers produce various metrics and analysis on ESG risks within their respective portfolios. Reported metrics, which are presented both at group and entity level, include:

- **Average ESG Rating:** Provided for the Convex portfolio and compared with appropriate benchmarks.
- **ESG Ratings Coverage:** Detailed across the portfolio, including breakdowns into Leaders, Average, and Laggard categories.
- **Top and Bottom ESG Score Issuers:** Identification of the five top and bottom ESG score issuers, with commentary on weak-rated issuers.
- **Manager ESG Ratings:** Where applicable, and commentary on quarterly variance in ESG scores and carbon intensity metrics.
- **Average Carbon Intensity Metrics:** For both the portfolio and appropriate benchmarks, highlighting the top 10 contributors to carbon intensity.
- **Climate Risk Scenarios and Dashboard:** Assessing the impact of climate risk on the managed portfolio, including physical, transition, and overall climate risks under different global warming scenarios (1°C, 2°C, and 3°C). This analysis identifies sectors and securities most exposed to climate-related risks.

These reports combine proprietary and vendor-sourced ESG and climate change metrics with internal credit research assessments. This enables the investment team to monitor ESG and climate risk exposures over time and engage with managers on issuers or sectors that may detract from the overall sustainability of the portfolio.

1

Carbon intensity score and appropriate benchmark expressed as Tons CO₂e/\$mm sales

2

Average ESG rating and appropriate benchmark (aggregate and pillar level)

3

Portfolio and benchmark ESG rating distribution, grouping into Leaders/Average/Laggard

4

Top 10 contributors to Carbon intensity metrics

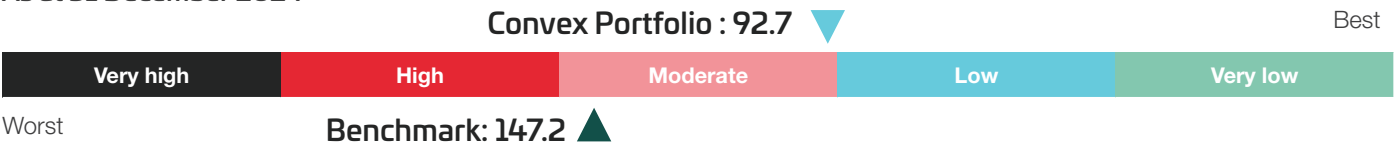
5

Top 5 and Bottom 5 ESG rated holdings

These metrics are included in the quarterly Investment Report from the Chief Investment Office and the Head of Investments to the Investment Committee. Annual metrics are published in our Sustainability Report as shown below:

Portfolio Carbon Intensity Score

As at 31 December 2024



	Market Value \$	% of account with MSCI data	MSCI Weighted average carbon intensity (Tons CO ₂ e/\$mm sales)
Convex Fixed Income Portfolio*	5,711,810,194	31.7%	92.7
Benchmark (weighted average of benchmarks selected by each manager)		99.0%	147.2

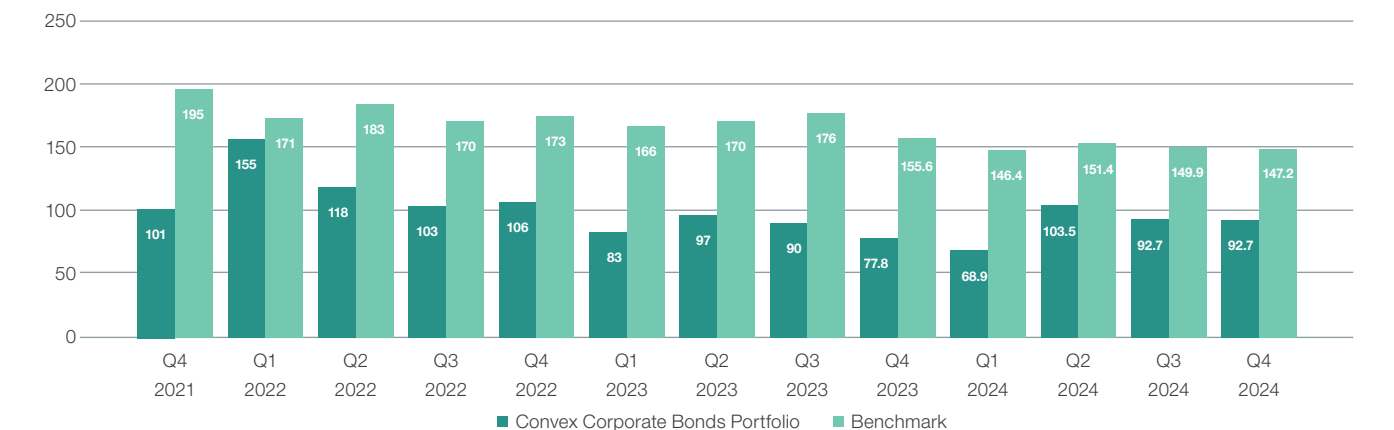
*MSCI ratings apply only to the corporate bonds share of the core fixed income portfolio

Carbon intensity score: ESG Carbon Intensity Score represents the weighted average carbon intensity of the portfolio and measures a portfolio's exposure to carbon intensive companies.

The figure is the sum of the security weight multiplied by the security Carbon Intensity. Short positions, sovereigns, derivatives, securitised products and bonds issued by trusts are excluded from MSCI's carbon risk analysis.

Progression metrics

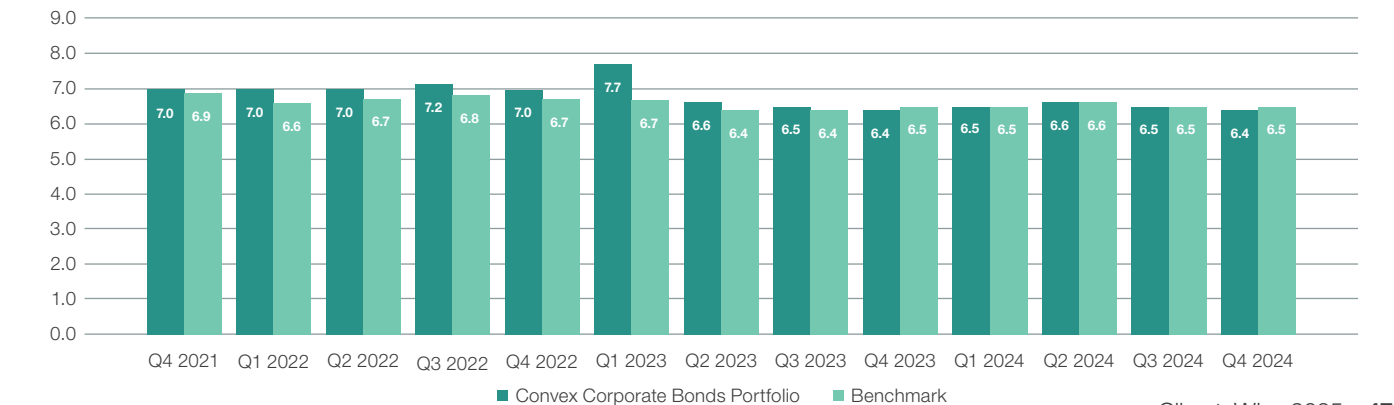
MSCI Carbon Intensity Score Convex Corporate Bonds Portfolio (in Tons CO₂e/\$mm sales)



MSCI ESG Score: The ESG Quality Score provides an overall measure of the portfolio's environmental, social, and governance performance. It starts with the weighted average ESG scores of all holdings.

MSCI then adjusts this score based on two factors: how many holdings are improving or worsening in ESG ratings, and how much exposure the portfolio has to the lowest-rated (worst-in-class) companies. This gives a more complete picture of the portfolio's ESG strength and momentum.

MSCI ESG Score (0-10)
Convex Corporate Bonds Portfolio



Convex maintains a relatively small in-house investment team responsible for setting the investment strategy and asset allocation, selecting appropriate managers to execute specific mandates. Our fixed income managers are responsible for security and sector selection, including the integration of ESG factors. Their analyses continue to evolve as new data sources become available, providing more granular insights into climate-related risks, such as transition and physical risk ratings.

Where allocations to new risk asset mandates are proposed, the New Manager Approval Process and associated selection criteria and due diligence review process explicitly includes a review of the managers approach to including climate and ESG related themes, alongside processes for reporting and disclosing climate and ESG related metrics in the portfolio. We actively review new products and strategies with dedicated ESG or climate change focuses, particularly those with high impacts on key climate or social themes.

Convex considers its aggregate climate change risk and ESG exposure to be moderately low, manageable, and aligned with our risk appetite. As of December 31, 2024, our exposure to the most fossil fuel-intensive sectors – coal, oil & gas, utilities, and transportation (including aerospace) – remains limited, representing a low single-digit percentage of the overall portfolio.

Risk Management and Data Coverage

Our current climate data coverage reflects our portfolio composition, with robust data available for corporate bonds from providers like MSCI. However, coverage is limited for other asset types, such as sovereign debt and structured securities, where consistent, decision-useful data is not yet widely available. We are actively engaging with external providers and monitoring industry developments to enhance data quality and coverage over time.

Investments: Sub-Principle 3.2

Take action to manage the implications of climate- and nature-related risks and opportunities on, and of, our investments.

Core Fixed Income Portfolio

At Convex, the investment function's primary objective is to create economic value while ensuring liquidity to meet claims and expenses as they fall due. Within this overall objective, investment decisions aim to maximise risk-adjusted returns while respecting all regulatory and rating capital considerations and constraints, whilst also remaining subject to a comprehensive internal risk limit framework.

Our responsible investing approach integrates ESG risk factors into investment analysis and decision-making. External managers focus on companies with strong governance practices, embedding ESG elements into their research, risk processes, investment decisions, and portfolio construction. ESG considerations are integral to evaluating an issuer's credit profile, assessing business sustainability, management quality, and associated risks.

Convex's external managers do not explicitly exclude individual securities based on ESG criteria alone, instead taking a holistic view on the overall fundamentals of a business. However, ESG factors could influence their level of conviction and therefore impact portfolio weightings of individual securities. As part of their commitment to ESG themes, Convex's core fixed income managers are signatories of the UN Principles for Responsible Investment (PRI) and are also committed to reporting in line with TCFD requirements.

The Investment Committee oversees ESG risks within the core fixed income portfolio, receiving quarterly ESG profile reports. ESG reporting and considerations are part of the Convex Group Investment Guidelines.

Our Group Investment Guidelines, issued by the Group Chief Investment Officer (CIO) and approved by the Convex Group Executive Committee (GEC) and the Group Board, provide a policy and procedural framework for managing Convex's investment activities and its Risk Bearing Legal Entities (RBLEs). These guidelines include a section dedicated to ESG and Impact Investing, outlining our approach to sustainable investments, sustainability reporting and impact investments.

As part of investment governance and oversight, the investment team conduct a periodic review of the core fixed income portfolio managers, covering the effectiveness of their integration of ESG considerations in the investment process and the quality of their ESG reporting and disclosures.

Risk Asset Portfolio

Alongside the core fixed income investments, a portion of the portfolio is also held in select risk asset mandates (c. 8% of the total investments portfolio), similarly managed by external investment managers. This includes a small allocation to impact investments, which sit within the risk assets portfolio. Where allocations to new risk assets mandates are proposed, the New Manager Approval Process and associated selection criteria and due diligence review explicitly includes a review of the manager's approach to climate and ESG related risks, alongside the managers processes for reporting and disclosing on climate and ESG metrics of the portfolio.

Convex Impact Investment Strategy

Launched in July 2022, the Convex Impact Investing strategy seeks to target attractive investment opportunities which contribute to specific environmental or social outcomes. As awareness of and focus on the impact of investments has grown over time, and in line with the belief that as an asset owner Convex has an ability to direct capital to investments that contribute to specific environmental or social outcomes, the investment team has established a strategic framework for the identification, screening and allocation of impact investments.

To articulate our climate and nature-related opportunities, our Impact Investment Strategy is organised around four key themes:

- **Climate and Environmental Sustainability:** Focus on nature-based solutions, regenerative agriculture, sustainable oceans, and water management.
- **Infrastructure and Economic Resilience:** Emphasize clean energy, sustainable transport, water and sanitation, and digital infrastructure.
- **Social and Community Development:** Promote affordable housing, education, and healthcare access.
- **Innovation and Technology for Good:** Support circular economy models, climate analytics, energy efficiency, and solutions for hard-to-abate sectors.

These themes guide our investment sourcing and are starting to inform our thematic screening processes, already influencing several transactions. Beyond selecting and overseeing managers, we are continuing to expand our toolkit – further developing thematic screening aligned with our impact themes. We are also exploring engagement and restrictions within our responsible investment framework to achieve deeper alignment between our investment objectives and sustainability outcomes.

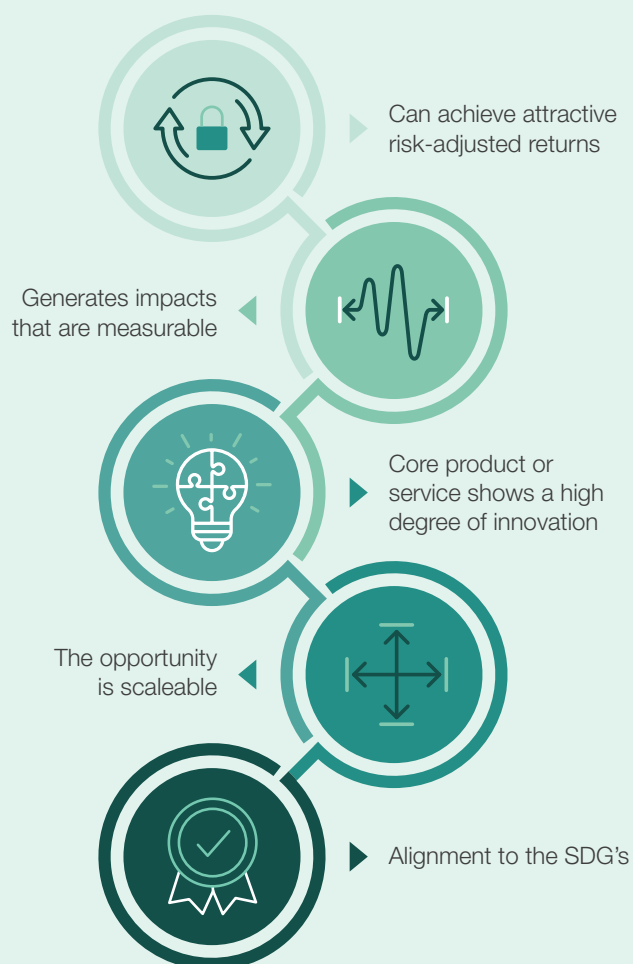
Additionally, we are expanding our understanding of nature-related risks and opportunities by leveraging emerging frameworks and collaborating with external managers. This collaboration aims to assess their approaches to nature and biodiversity, identifying shared opportunities for capacity building and joint initiatives.

Impact Investment Framework

The framework is built around three distinct pillars, each reflecting a different balance of risk, return, and impact;

- The first pillar is where most of the investment activity sits: private market investments that aim to deliver measurable outcomes – such as climate action, innovation, or resilience – while also generating strong, risk-adjusted returns. These investments support our core insurance and shareholder portfolios.
- The second pillar focuses on catalytic capital – funding early-stage or underfunded opportunities that have high potential for impact but need support to scale.
- The third pillar is reserved for concessionary capital, which we use selectively for mission-driven projects where social or environmental impact takes precedence over financial return.

Exhibit 1: Pillar I Key Investment Criteria



Impact Investment Portfolio Composition

As of 31 May 2025, we have executed four transactions, led by a dedicated member of the investment team, with total committed capital of approximately \$90 million and \$30 million deployed to date. These allocations revolve around four distinct themes that the investment team focuses on as part of the strategy with the intention to form the foundation of a portfolio that is globally diversified, solutions-oriented, and grounded in intentional, measurable impact.



Climate and Environmental Sustainability

This theme targets investments that restore, protect, and sustainably manage natural ecosystems, while addressing the climate crisis. It encompasses sectors such as:

- **Sustainable agriculture** – promoting regenerative practices and food security.
- **Water management** – improving access, conservation, and infrastructure for water resilience.
- **Nature-based solutions** – supporting biodiversity, reforestation, and carbon sinks.
- **Sustainable oceans** – enhancing marine biodiversity and ocean-based economies.

These strategies play a critical role in both climate mitigation and adaptation, generating environmental and community co-benefits while aligning with nature-positive investment frameworks.



Infrastructure and Economic Resilience

Essential infrastructure is the backbone of inclusive and climate-resilient growth. This theme focuses on foundational systems that enable economies and communities to thrive, particularly in emerging markets or underserved regions. Key sub-sectors include:

- **Transportation** – sustainable mobility and low-carbon transit systems.
- **Energy** – renewable generation, transmission, and access.
- **Water and sanitation** – critical for health, dignity, and climate adaptation.
- **Digital infrastructure** – bridging the connectivity gap and enabling access to services.

These investments are typically long-dated, asset-backed, and offer the potential for stable returns with high impact durability.



Social and Community Development

Focused on reducing inequality and enhancing quality of life, this theme supports solutions that enable access to essential services and empower communities. It includes:

- **Affordable housing** – addressing housing insecurity and urban resilience.
- **Education** – supporting inclusive, tech-enabled learning.
- **Healthcare access** – improving physical and digital health infrastructure.

These sectors are key to inclusive economic participation, especially in under-resourced geographies, and align with several of the UN Sustainable Development Goals.



Innovation and Technology for Good

We believe that innovation is a catalyst for scalable, high-impact change. This theme targets emerging technologies and business models that can accelerate the transition to a low-carbon, inclusive economy. Focus areas include:

- **Circular economy** – reducing waste and promoting material reuse.
- **Energy efficiency technologies** – improving performance and reducing emissions.
- **Climate data and analytics** – enabling better decision-making and risk management.
- **Sustainable aviation and shipping decarbonising hard-to-abate sectors.**

These investments combine impact potential with strong growth dynamics, often backed by entrepreneurial teams and flexible capital structures.

Details of these investments are noted below:

Ocean 14 Capital

In alignment with one of our priority Sustainable Development Goals, Life Below Water, and our work on the Convex Seascape Survey, we have partnered with the Ocean 14 Capital fund. This fund aims to improve ocean health and ensure sustainable blue food sources. The fund invests in new technologies and optimising industries that are responding to changing consumer behaviour, value chain pressure and technological advances.

The Environmental Technologies Fund 4 (ETF4)

This fund invests in innovative growth companies whose products and services have the potential to have a significant positive environmental impact. The fund managers evaluate impact potential, and then help make it happen through active impact management. As an Article 9 SFDR fund, impact and ESG are core to their approach, embedded throughout the investment process, from deal screening to portfolio management. ETF uses a simple scoring system (out of 5 across five metrics) to assess and track impact. Their latest ESG and Impact Report for 2024 highlights strong performance, with ETF4 scoring 4.8/5 for impact potential and performance. Three portfolio companies have already met key impact milestones, reinforcing the fund's commitment to solving environmental challenges through innovation.





Infrastructure Resilience Development Fund (IRDF)

Convex has been an active contributor to the Infrastructure Resilience Development Fund (IRDF), an Infrastructure Development Forum (IDF) -led initiative focused on resilient infrastructure in emerging and developing markets. Managed by BlackRock, the fund targets climate-vulnerable regions across Africa, Latin America, and South & Southeast Asia, investing in sectors such as renewable energy, transport, healthcare, digital infrastructure, and nature-based solutions.

Convex supported the development of the fund's structure, ESG framework, and impact KPIs, which are central to its Article 8 classification. The fund aims to deliver strong risk-adjusted returns through floating-rate debt, diversified assets, and measurable impact aligned with the UN SDGs.

Stafford Carbon Offset Opportunity Fund

Convex has invested in the Stafford Carbon Offset Opportunity Fund, which focuses on afforestation, reforestation, and sustainable forest management to generate high-quality, verified carbon credits. The fund supports Convex's carbon reduction goals while offering long-term financial returns through carbon credit sales, timber revenues, and land value appreciation. It provides a cost-stable alternative to purchasing offsets on the open market and helps hedge against future carbon price volatility. Managed by Stafford Capital Partners, the fund offers a diversified global portfolio with projects certified under rigorous environmental and social standards, primarily in developed markets with targeted exposure to Latin America. This investment reflects Convex's broader climate strategy, combining measurable environmental impact with a disciplined, return-focused approach.

Underwriting: Sub-Principle 3.3

Develop and use models to incorporate climate- and nature-related issues and describe how the outputs of the models inform our underwriting decisions.

As a leading provider of Property and Casualty (P&C) insurance and re-insurance products, Convex has a strong existing capability in modelling, pricing, and reserving of catastrophe risk from natural hazards. Given the nature of our business, we recognise the importance of integrating climate and nature-related risk management into our insurance and reinsurance portfolios. Our approach to identifying and assessing these risks spans short, medium, and long-term time horizons and considers different product segments, geographies, and business divisions.

Physical Risk and Scenario Analysis

To quantify our underwriting exposure to the financial risks posed by climate change, we undertook a detailed assessment of these potential risks, leveraging scenarios including the PRA's General Insurance Stress Test. This initial step was crucial in understanding the potential long-term impacts of climate change under various scenarios.

The physical risks associated with climate change are the most material risks documented in our IRO register. Given that most of our policies have 12-month terms, allowing for annual adjustments in pricing and autonomy over renewal, we prioritised developing our understanding of the near-term implications of these risks. This led to the commissioning of "Project Berlin," a comprehensive evaluation of climate change impacts on key peril regions over the next several years. This project involved reviewing the latest scientific research and IPCC reports, specifically utilising the SSP3-7.0 scenario, which anticipates a 2-degree increase in global warming by 2050 and 3.5 degrees by the end of the century.

This objectives of this project were as follows:



1. **Hazard Ranking:** Current and Projected Trends in Median Frequency and Intensity of Hazards, ranked according to Convex exposure.



2. **Uncertainty & Volatility:** Evaluation of the uncertainty and volatility in frequency and intensity of hazard per peril region ranked for Convex portfolio.



3. **Vendor Model Adequacy:** High-level scientific reviews of vendor models to assess views of present-day risk for certain hazards/peril regions.



4. **Normalisation Studies:** Normalising economic losses from historic events for changes in exposure and vulnerability to consider trends.



5. **Convex Impacts/Actions:** Summary of key messages and follow-on actions to flow into the business, from both portfolio management and risk strategy perspectives.

The key findings included:

- Increases in exposure and wealth are by far the most important drivers for growing disaster losses over the last century and these should be a near-time focus of risk management.
- Climate change creates high uncertainty in the projected hazard frequency and intensity. This means short term action on peak peril-regions should be focussed on managing risk of increased volatility and understanding exposure and vulnerability changes in more detail.
- Flood, WF, and PP Induced Flood require short term action to improve Convex understanding of exposure.
- Vendor models may be less reliable over time due to uncertainty in hazard changes caused by Climate Change and inability to keep pace with exposure and vulnerability trends.

In response to the findings of Project Berlin, we performed an independent review of the leading flood model providers and partnered with a data-driven, research-led company as a development partner for their global hazard and vulnerability flood model catastrophe model. This model has now been embedded into our pre-bind process, providing our underwriters with flood risk scores which cover flash, river and coastal flooding globally. We are now in the process of validating a stochastic model to allow for improved flood exposure monitoring at a portfolio level.

In response to the findings of Project Berlin regarding wildfire risk, Convex has initiated a comprehensive upgrade to its wildfire modelling capabilities. We have partnered with Verisk to leverage their latest U.S. Wildfire Model, which incorporates recent and projected seasonal weather trends, enhanced climate-ecosystem-wildfire relationships, and improved fire spread dynamics. This model also explicitly accounts for smoke risk and integrates updated vulnerability assumptions based on recent changes in building codes. The new wildfire model will be embedded into our underwriting processes by late 2025, ensuring our underwriters have access to refined risk assessments that better reflect the complexities introduced by climate change.

Natural Catastrophe Metrics and Exposure Management

As noted more fully in principle 1.5, we use a global suite of sophisticated catastrophe models to consistently assess and manage peak natural catastrophe-related risks across our underwriting and portfolio management processes, ensuring informed underwriting decisions and consistent risk assessment from quotation to reporting.

We monitor our exposure to natural catastrophes on a monthly basis, using vendor models for a range of peril regions and hazards. This process uses the Year Loss Table (YLT) as a full simulation of vendor modelled losses.

YLT are constructed from historical or simulated catastrophe events, each of which has an associated loss. Each event is allocated to one or more years in the YLT, and each year of simulated loss is considered a possible loss outcome for a single year. Finally this allows us to estimate the probability of loss to Convex for single or multiple perils on both an occurrence (OEP) and aggregate (AEP) basis. This process permits monitoring against our own risk appetite thresholds, capital setting etc but also is an indicator of the physical risk impacts of climate change.

These statistics then feed into the quantification process around our Internal Capital model, as overseen by the Internal Model Oversight Committee and ultimately the GERC.



Magniphi

Our ongoing support of Maximum Information has supported their development of Magniphi, a tool which allows for scenario analysis to be conducted based on a tailored, own view of risk. This tool draws from scientific and climatic findings to perform resampling of existing event sets representing alternative climate scenarios and enables localised stress testing and hence give us a greater flexibility in developing our own view of risk. This tool has now been fully licenced by Convex and will inform our scenario analysis work in the coming year.

Offshore Wind Modelling

Convex is playing a key role in the development of models to address the key risk features of offshore wind underwriting for which incumbent catastrophe models are ill suited. To deepen the understanding of relevant risks in this area and thus enabling industry growth, we have partnered with Renew Risk to build seven models for offshore wind. Through the implementation of deep data science-driven patent-protected methodologies, Renew Risk has successfully developed a pioneering set of models using open-source platform, the Oasis loss modelling framework. The cutting-edge models offer comprehensive coverage of high-risk earthquake and typhoon regions such as US, Taiwan and Japan.

Tipping Point Risks

As is detailed in Section 2.5, we have undertaken research in the last year on the aiming to better understand Climate Tipping Points and their potential impact on the business we underwrite. The results of this analysis were shared with our senior leadership and presented to stakeholders across the business and continues to be an area for further risk impact assessment in our underwriting.

Integration of Climate Considerations into our Non-Nat Cat Modelling

Financial Lines

We have built our own proprietary rating model built upon a comprehensive twenty years of Securities Class Action, investigations and other loss driven data that has been obtained from third parties. This data includes any losses emanating from climate or climate change related exposures where those exposures have driven claims activity, and therefore such climate change losses are implicitly allowed for in our rating process. In addition, underwriters will address any pertinent climate change exposures and trends, where necessary, through terms and conditions, pricing and ultimately whether we participate on accounts at all through the course of the regular underwriting process.

General Liability

As noted in principle 1.10, we have embedded a third-party casualty modelling software to inform our views of the litigation risks associated with our clients and potential clients, including climate-related liabilities. This horizon scanning tool informs our underwriting decisions through the provision of client risk scores and enables us to monitor our aggregation across particular climate litigation risks.

Product Development

A key component of the Advancing Transition pillar of our Sustainability Strategy is the development of innovative insurance solutions to address new and emerging risks. As a co-lead insurer, and in collaboration with AON, Convex has assisted in the development of a new product aimed at providing cover for key risk exposures associated with Carbon Capture and Storage (CCS), advancing the role of insurance in de-risking global CCS projects. The product is the first fully comprehensive CCS insurance solution designed to facilitate the energy transition, supporting the construction of two high-profile carbon infrastructure projects in the United Kingdom which have been backed by UK Government's Department of Energy Security and Net Zero and are considered key to the country's ability to meet its Net Zero commitments. The development of this insurance solution was considered crucial to both projects being awarded their storage permits and achieving FID.

Underwriting: Sub-Principle 3.4

Incorporate clauses in our insurance policies' terms and conditions that incentivise the reduction of exposure to climate and nature-related issues of the insured structures through pricing of policies.

Policy Wording

In 2024 our Crisis Management team launched a new Terrorism Crisis Response policy, that provides bespoke Terrorism and Sabotage cover for the UK market. This policy includes cover of additional costs associated with environmental improvement, to support the use of environmentally friendly materials, appropriate recycling and waste handling and eco-friendly design or construction methods in the event of a physical loss. The inclusion of this wording outlines our commitment to support our clients on their own emission reduction pathways, and we are actively looking for additional engagement opportunities through our Sustainable Claims Working Group.

Sustainable Claims Initiatives

In 2025, we established our Sustainable Claims Working Group to develop our approach to integrating environmental considerations in our claims process and support our clients with their own transitions to Net Zero.

The insurance industry's approach to integrating sustainability into the claims process is still relatively immature and lacks standardisation due to the diverse claims ecosystem, comprised of multiple actors and varying significantly across different lines of business.

We have developed our Sustainable Claims Engagement Plan, owned by the Sustainable Claims Working Group, to set our strategic approach to engaging with stakeholders across the claims value chain to promote sustainable practices and drive meaningful change.

Our engagement is structured around three main pillars:

- 1. Internal Engagement:** Leveraging our internal expertise to pinpoint areas within the claims process for sustainable impact and empowering our claims team to adopt these practices through cross-departmental collaboration and knowledge sharing.
- 2. Partner Engagement:** Engage and collaborate with key stakeholders, such as brokers and loss adjusters, to leverage and develop sustainable claims initiatives.
- 3. Innovation and New Technology:** Monitor trends and technologies, engage with startups, and pilot new solutions to enhance sustainability within our claims process.

We will continue to explore sustainable claims initiatives under this plan going forward and will report on any progress in next year's report.

Transition Plan: Sub-Principle 3.5

Disclose our climate- and nature-related transition plans and the objectives, priorities and commitments we are looking to address.

Convex is committed to addressing climate and nature-related challenges through a detailed Transition Plan aimed at achieving Net Zero by 2050. Developed this year and currently under review, the Plan aligns with Transition Plan Taskforce (TPT) guidelines and will be updated every three years. It initially focuses on short-term goals up to 2030, with future updates refining medium- and long-term targets, outlining our decarbonisation efforts and support for the global transition to a low-carbon economy.

The Plan sets objectives, actions, and commitments across operations, value chain, and investments, supported by strong governance. Convex plays a dual role as both a creator and user of Transition Plans, helping clients navigate global economic changes and seize opportunities.

Our strategic ambition is to achieve Net Zero in our own operations and business activities by 2050, while meeting client needs and contributing to a wider societal transition. We are committed to accountability and transparency, providing clear and accurate information about climate-related risks and mitigation measures as part of our wider Sustainability Reporting Programme.

Our commitment to sustainability is guided by our values and organised across all aspects of our business according to three guiding principles:

- 1.** Building Resilience,
- 2.** Leading from our Culture, and
- 3.** Advancing Transition.



Key Priorities Identified through Double Materiality Assessment (DMA)

Our DMA identified decarbonisation and environmental considerations as material topics, and have guided our transition plan prioritisation, as is outlined in Section 1.7.

The primary focus of our Transition Strategy is to use the impact of our business in supporting and mobilising societal efforts to decarbonise.

- We do this through Impact Investing (as described in Section 3.2) where we identify opportunities where our capital can have a catalytic impact on technology and businesses linked to the more sustainable practice.
- We do this through our innovation and risk assessment in our underwriting (as described in Section 3.3)
- We aim to do this in our efforts to identify and support how the claims process can be decarbonised and strengthened in resilience (as described in 3.4).

- We do this through our significant support of groundbreaking science (as described in Section 2.6) which aims to deliver new, vital research to the global understanding of the role of the seabed and ocean on the carbon cycle.
- Given certain limitations and dependencies associated with decarbonising from an operational perspective, we support carbon offset projects according to our criteria (in addition to efforts to decarbonise our Scope 1, 2, 3).
- We do this through our extensive efforts to engage, advocate and raise awareness of the role insurance must play in the transition to a low carbon economy as a key enabler (as described in Section 2).

We detail below the outline of our plan to deliver this strategy in terms of timeline, priorities and challenges.

Transition Planning Cycle and Scope

The Transition Plan is an iterative process, with this initial plan focusing on short-term actions and targets through to 2030, and later iterations refining medium-term targets and long-term ambitions.

Time Horizon	Period	Description
Short term	2025 – 2030	Detailed and viable actions and targets
Medium term	2030 – 2040	Ambitious high-level interim targets
Long term	2040+	High-level long-term targets

Key Assumptions and Dependencies of the Current Transition Plan

Convex's transition to Net Zero relies on several key assumptions:

- **Own Operations:** Access to eco-friendly office locations and consistent renewable energy.
- **Supply Chain:** Suppliers and partners having Net Zero plans and sustainable infrastructure.
- **Travel and Commuting:** Aviation sector decarbonization and further decarbonisation of rail etc.
- **Insurance and Underwriting:** Demand for sustainable products and reliable data.
- **Cross-cutting:** Supportive government policies and infrastructure funding.

We actively mitigate these dependencies by engaging with landlords, suppliers, policyholders, and governments to encourage alignment with our transition goals.

Key Challenges and Limitations of the Current Transition Plan

Convex faces several challenges:

- **Data and Methodology:** Difficulty in quantifying underwriting and investing impacts due to data limitations and reliance on proxies for measuring Scope 3 emissions.
- **Engagement with Partners:** We operate in a market where our business is sourced through brokers and mainly co-insured with other insurers. We are therefore dependent on cooperation and engagement with these parties to succeed in our transition objectives.
- **External Reliance:** Dependence on carbon offsets and external factors like infrastructure, renewable energy, and policies.

Objectives, Priorities, and Commitments

Our primary aim is to achieve Net Zero by 2050, with efforts structured across key areas such as operations, supply chain, underwriting, investments, and carbon offsets. We are committed to fostering a resilient and responsible business, emphasising sustainable practices and strategic engagement with stakeholders.

Key Areas of Focus:

- **Operations:** We aim to manage emissions by leveraging renewable energy and implementing sustainable travel policies to address Scope 1, 2, and 3 emissions.
- **Supply Chain:** We are engaging with top suppliers to gather emissions data and align with our strategic goals, developing KPIs to guide these efforts.
- **Underwriting and Claims:** Our commitment includes supporting clients in transitioning to a lower carbon economy, with responsible underwriting practices and innovative solutions for emerging risks.
- **Investments:** We prioritise ESG integration into investment analysis and aim to enhance the sustainability of our portfolio through active engagement and monitoring.
- **Carbon Offsets:** We responsibly offset operational emissions while investing in sustainable reduction strategies, aligning with our Net Zero objectives.

Our approach focuses on enhancing data collection and analysis, promoting sustainable travel and supply chain practices, and supporting clients in transitioning to a lower carbon economy. We are committed to expanding our investment strategy to include impact investing for meaningful change, while also exploring innovative carbon technologies.

This commitment is guided by robust governance and a focus on accountability and transparency, ensuring we contribute positively to the global transition to a sustainable, low-carbon future.

Transition Plan: Sub-Principle 3.6

Describe how the transition plan is overseen, resourced and implemented.

Convex's Transition Plan is overseen, resourced, and implemented through a robust framework designed to ensure accountability and integration across all business functions.

Oversight of the Transition Plan

Oversight of the Transition Plan will adhere to the broader Climate Risk Governance framework outlined in Sections 1.1 and 1.2.

Day-to-day management will be primarily from the Sustainability function with immediate oversight by the ESG Working Group, acting as a cross-functional forum with representatives from Underwriting, Investments, Risk, and Portfolio Optimisation.

Metrics for Measuring Progress

Key Performance Indicators (KPIs) will be monitored within the broader Climate metrics in the PowerBI dashboards.

Progress against all Transition Plan targets will be reported annually in Convex's ClimateWise report, with carbon emissions reported under the Greenhouse Gas Protocol.

Resourcing the Transition Plan

Convex Group integrates decarbonisation actions and transition plan into its standard budgeting and planning processes. This underscores Convex's commitment to environmental goals as a fundamental aspect of operations and future investment strategy.

Implementation and Embedding of the Transition Plan

The Transition Plan, is designed to fulfil Convex's climate ambitions, aligned with best practice guidance from the Transition Plan Taskforce (TPT). It is subject to revision every three years to accommodate the latest developments in the transition process. The implementation of this plan is supported by the comprehensive Convex Sustainability Engagement Plan.

Embedding a culture of sustainability is a key focus, supported by dedicated communication channels, sustainable culture initiatives, and climate-related training programs for all employees. This cultural integration, combined with the incorporation of climate risks into the Group Risk Management Framework and the use of data-driven targets and KPIs, help monitor progress toward the Net Zero goal.

The plan aligns with material transition risks identified in the climate-dedicated IRO Register, integrating climate risks into the broader Risk Management Framework.

Policies such as Sustainable Underwriting Principles, and Responsible Procurement further support Convex's strategic ambition. Training programs are available to all employees, ensuring a well-informed team committed to sustainability objectives.



2025-2026 Planned Actions:

- Publish Transition Plan
- Continue exploration of Sustainable Claims initiatives
- Embed Responsible Investments Policy

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Principle 4:

Disclosing Effectively

Measure and Monitor: Sub-Principle 4.1 & 4.2

Measure and disclose the impacts and potential impacts on our business of material climate- and nature-related risks and opportunities, including the results of the resilience analysis; and

Disclose the metrics used to measure and manage the member's contribution to climate- and nature-related risks, and targets for monitoring progress.

GHG Emissions

The following data represents our energy consumption and carbons emissions for Convex Group Limited in 2023 and 2024:

Scope	Metric	2023 CO2 Emissions	2024 CO2 Emissions	Unit
Scope 1				
	Natural Gas	41.46	36.49	tCO2e
Total Scope 1		41.46	36.49	tCO2e
Scope 2				
	Electricity location-based	265.47	259.47	tCO2e
	Electricity market-based	131.21	133.14	tCO2e
Total Scope 2 (location-based)		265.47	259.47	tCO2e
Total Scope 2 (market-based)		131.21	133.14	tCO2e
Total Energy Consumption (kWh) – Elec & Gas		1,162,742.20	1,106,595.82	kWh
Average emission intensity (Scope 1+ 2) per FTE (market-based)		0.27	0.26	tCO2e/FTE
Scope 3				
	Cloud Computing Services(AWS)		1.13	tCO2e
	Employee Commute		124.36	tCO2e
	Travel – Commercial Flights	4,644.28	4,741.49	tCO2e
	Travel – Hotel	217.74	185.67	tCO2e
	Travel – Private Flights	299.29	423.42	tCO2e
	Travel – Rail	12.60	21.34	tCO2e
	Travel – Rental Car	2.38	4.03	CO2e
	Travel – Taxi	97.40	148.82	tCO2e
	Travel (Flights, rail, taxi and hotel)	5,273.69	5,524.78	tCO2e
	Waste	0.53	0.55	tCO2e
Total Scope 3		5,274.22	5,650.82	CO2e
Total Emissions (location-based)		5,581.15	5,946.78	tCO2e
Emission intensity per FTE (location-based)		11.32	11.59	tCO2e/FTE
Total Emissions (market-based)		5,446.88	5,820.45	tCO2e
Emission intensity per FTE (market-based)		11.05	11.35	CO2e/FTE

Overall reported Group emissions have risen from 5,447 tCO₂e in 2023 to 5,820 tCO₂e in 2024. In addition to calculating our annual emissions footprint we undertake comprehensive analysis to understand how our footprint is changing over time, with this assessment being presented to our Board and senior leadership. We have a dedicated sustainability metrics dashboard that showcases trends in emissions over multiple years, analyses the drivers behind changes in our annual footprint, and provides a detailed examination of our Scope 3 components.

Our increase in 2024 emissions was driven by the inclusion of emissions associated with employee commute for the first time, a moderate increase in business travel and changes in our methodology for emissions associated with commercial flights.

Whenever we make changes to our methodology, we recalculate the prior year figure using the updated approach, as per the restatement guidelines in our emissions reporting document. Our Scope 1 and Scope 2 emissions are a minor component of our footprint and have remained relatively stable over time, which has informed our approach to setting targets as noted in principle 2.1 and our draft transition plan.

We have developed a comprehensive suite of metrics (across our value chain) to measure and disclose climate- and nature-related risks and opportunities, and to manage our contributions and progress toward sustainability targets, disclosed as evidence for this report. The policies and procedures noted above outline how the metrics we collate inform decision making and have appropriate oversight.

Report Robustly: Sub-Principle 4.3

Maintain and enhance a robust reporting regime, processes and internal controls over climate-related disclosures in order to avoid material errors or material misstatements.

Stakeholder Disclosures/Public Reporting

Convex believes it can build awareness of climate change issues through a commitment to being fully transparent with peers, regulators, and wider stakeholders around our own environmental footprint. We are also cognisant of the increasing public interest in companies' sustainability credentials and are therefore committed to reporting our approach and progress as objectively as possible. In this vein, we are members of several industry bodies, partnerships and initiatives that encourage disclosure of our climate risk-related activities.

These channels allow us to communicate with a broad range of clients, investors and other stakeholders and ensure that our commitment to helping society combat climate change and to help our clients adapt to climate events is widely understood.

Review Process

We have established an internal process to facilitate the review and challenge of our ClimateWise report. The reported is drafted by the Convex Sustainability team and reviewed by the Group Head of Sustainability. The draft report is then submitted to the ESG Working Group, whose members include the Group HoS, Group CRO, Chief Investment Officer, CIL CEO, Head of Aerospace and Marine and Chief Marketing Officer, for review and approval. Following this, the report is further submitted to the GEC prior to being publicly disclosed.

In addition to producing our annual ClimateWise report, we produce a summary paper internally that outlines the feedback we received for the prior year's report and the action we have taken to address these points. This report is circulated to the GEC and ESG Working Group.

Regulation Horizon Scanning

As noted across principle 2, Convex is actively engaged with industry bodies and forums and Convexians regularly attend sustainability related conferences and round tables. Our participation in these groups and at these events ensures we remain abreast of regulatory developments and changing market practices. Refer to sub-principles 1.8. and 2.7 for further detail on how we have monitored and engaged with climate related regulatory developments.

The risks associated with increasing sustainability related policy / regulations is monitored and assessed in our IRO register. We also have a Climate Change Regulatory Monitoring control which is assessed on a quarterly basis as part of our RCSA process. This control is owned by the Head of Sustainability and encompasses all of our regulators and the differences in regulatory expectations.

Assurance Framework

Our GHG emissions are included in our financial report and subjected to independent limited assurance from our external auditors. Our ClimateWise reports are shared with our auditors for noting.

Process documentation

We have a comprehensive procedure document that provides a step-by-step guide for our ESG data collection and loading into our emission reporting tool. This document outlines the data validation and quality controls that are embedded in our process and details the multiple review stages that occur as the data is processed.

To support Greenhouse Gas (GHG) emissions accounting and reporting, and to enhance the accuracy, completeness, and reliability of Convex's GHG data, we utilise two supporting documents:

- The "Persefoni Carbon Accounting Calculation Methodology for Convex Group Limited" document outlines the detailed procedure for quantifying Convex's GHG emissions.
- The "GHG Emissions Production Process" document outlines the production and governance process for GHG emissions, from initial meetings with Persefoni to annual updates of Airtable templates. It includes data collection, validation, manual adjustments, template preparation, internal reviews, and final uploads into Persefoni. The process culminates in ledger extraction and an ESG Sub-group review via PowerBI, leading to the ledger's formal closure with Persefoni and Onex. It also specifies the tools used, such as Airtable, Persefoni, Slack, Dropbox, and PowerBI, along with their access controls.

Assumptions

Our process for calculating its GHG emissions, while robust and aligned with the GHG Protocol, necessarily incorporates a series of assumptions and allocations. These are implemented to address data quality issues, fill gaps, and ensure comprehensive reporting across Scope 1, Scope 2, and Scope 3 emissions.

The details of these adjustments are included within the documents mentioned above and integrated into the overall GHG emissions production and governance process. Additionally, they are included, alongside our emissions figures, in the paper presented to the ESG Working Group.

Restatement

Our approach to restatement is detailed in our GHG Emission Production Process document.

Transparent Disclosure: Sub-Principle 4.4 **Annual submission against the ClimateWise Principles.**

We report fully against the ClimateWise Principles. We attest that our ClimateWise report and supporting evidence were submitted by the required deadline and loaded correctly into the data transfer portal.

Transparent Disclosure: Sub-Principle 4.5 **Annual public disclosure of the climate-related disclosures including ClimateWise Principles as part of annual reporting.**

We ensure that our climate and nature disclosures are aligned with our annual reporting cycle to present a consistent view of our performance across all communication and reporting activities.

All financial data reported corresponds to the financial year ending December 31, 2024, aligning with our financial reporting period.

In addition to reporting on the financial year, the ClimateWise report includes information on activities undertaken up to July 31, 2025. This ensures that the report provides a current picture of the practices and progress our business is making.

This report is not aligned with any Pillar II regulatory reports. However, its content is consistent with our ORSA and GSSA documents.

Transparent Disclosure: Sub-Principle 4.6 **Ensure reports are easy to understand, accurate, prudently and neutrally presented, well explained and allow organisations to be held to account.**

To ensure clear and accurate disclosures, the content of the report is reviewed and signed off by our subject matter experts across the business and the management team. We provide evidence to validate our statements, enabling ClimateWise assessors to verify the accuracy of the disclosed information.

Recognising the inherent uncertainties in assessing climate-related risks, we ensure that our assessments of business performance, risks, and opportunities are realistic and not overly optimistic.

Details of assumptions are referred to in section 4.3 and within the respective sections. In the event that we make changes, including methodology changes, that materially impact on results that have been previously reported, we will restate the results. In order to provide our stakeholders with insights into how our business performance is changing over time, we provide year-on-year comparisons where possible.

Additionally, we produce a clear, well-designed version of the ClimateWise Report for public disclosure on our website, making the content accessible to stakeholders and the broader public.





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