TCFD REPORT FOR INSURESILIENCE INVESTMENT FUND PRIVATE EQUITY II SCA SICAV-RAIF

Reference period: 2025

This Task Force on Climate-related Financial Disclosure (TCFD) report was prepared by BlueOrchard Finance Ltd ("BOF"). Updated in September 2026 based on data for 2025.

The Task Force on Climate-related Financial Disclosure (TCFD) aims to mainstream reporting on climate-related risks and opportunities in organizations' annual financial filings. Launched in 2017, TCFD recommendations, originally a voluntary framework, has become mandatory in the UK across a range of market participants on a phased timeline beginning in 2021.

The TCFD recommendations are structured around four themes: Governance, Strategy, Risk Management, and Metrics and Targets. Key concepts within the framework include:

– 'transition' risks: arising from society's transition to a low carbon economy (changing regulation and market expectations, new technologies etc.); and

– 'physical' risks: relating to the acute (storms, floods and wildfires etc.) and chronic (rising sea levels, increasing heat stress etc.) physical effects of a changing climate.

Additional principles within TCFD include the importance of forward-looking assessment of climate-related risks and opportunities, and 'scenario analysis'. Scenario analysis is a process of identifying and assessing the potential implications of a range of plausible future states under conditions of uncertainty. The recommendations note that scenario analysis for climate-related issues is a relatively new concept and that practices will evolve over time.

In 2026, BOF ("Fund Manager"), as investment manager of InsuResilience Investment Fund Private Equity II SCA SICAV-RAIF ("IIF-PE II", or "Fund"), voluntarily committed to start publicly reporting at the Fund level, in line with the recommendations issued by TCFD. As a result, all responses in the following sections relate to the Fund's strategy.

TCFD Recommendation	**Approach**
Governance	
Describe the Board's oversight of climate-related risks and opportunities.	The board of directors for IIF-PE II monitors the Fund's ESG and impact performance quarterly, focusing on pre-determined key performance indicators (KPIs). Climate-related opportunities are integral to the Fund's impact mandate, as it relates to climate adaptation and resilience. At present, a comprehensive climate risk assessment is not conducted for each portfolio company. However, a partial assessment is included within the impact risk evaluation for all companies, as climate risks may hinder the successful implementation of climate insurance — for instance, through rising premium costs that affect affordability for lower-income individuals.

	Additionally, the Board oversees the approval of the impact methodology that establishes the eligibility criteria for investments in IIF-PE II. This methodology outlines the criteria related to climate-related opportunities, including assessments of vulnerability to climate change. The Fund discloses key impact and key ESG metrics on a quarterly basis, and significant changes in ESG/impact risks (which include climate risks) as and when they occur. For instance, if a company stopped providing climate insurance products/services, which could be caused by climate change or other factors, this would be disclosed and discussed at the board level.
Describe management's role in assessing and managing climate-related risks and opportunities.	Climate change-related opportunities are an integral element of the impact assessment of any investment in IIF-PE II as the Fund seeks to increase the resilience of poor and vulnerable people as well as MSMEs in Emerging Markets against the adverse impacts of climate change. Responsibility for the assessment and management of climate-related opportunities is delegated to key members of the Investment Management team, as well as the Impact Management Team and integrated into the investment lifecycle with established oversight by the Investment Committee prior and during investment as well as at exit. A dedicated Impact Committee, chaired by the Head of Impact Management and the CRO and General Counsel, reviews and approves or rejects all climate-related impact assessments prior to their submission to the Investment Committee. This process ensures adherence to the Fund's impact mandate and that climate-related opportunities are thoroughly evaluated, including the potential risks of failing to achieve them. The Fund Manager also prepares an annual report, including an SFDR statement for the Fund, which includes climate-related metrics and supports the Fund Manager's monitoring of performance and progress towards climate-related goals and targets.
Strategy	

Describe the climate-related risks and opportunities the Fund has identified over the short, medium, and long term.	Climate-related risks primarily involve physical risks that portfolio companies may encounter in the medium to long term, particularly impacting insurance companies. Key aspects include: • Increased Underwriting Risk: This moderate risk may result in reduced insurance coverage in certain regions, widening the insurance gap. • Premium and Loss Reserve Risk: Insurers may face challenges where premiums fail to cover claims, and loss reserves may fall short of future obligations. • Decreased Demand: If customers are unable or unwilling to pay higher premiums, the demand for insurance may decline. To mitigate these risks, insurance companies implement strategies such as annual renewal processes, which allow for prompt adjustments to premiums and contractual terms. They also utilize reinsurance to transfer a portion of excessive extreme risk, diversify their portfolios across various products and geographical areas, and establish exposure limits. It is important to note that the insurance industry is highly regulated and adheres to regulatory capital requirements designed to absorb potential losses. Consequently, the overall risk to the long-term financial stability of portfolio companies in the insurance sector is deemed to be low. Insurance distributors face similar pressures; a decline in demand can arise if customers cannot afford increased prices. Additionally, there is a risk that insuring certain extreme risks may become financially unviable, leading to a contraction in insurance supply. Financial intermediaries may experience credit risks stemming from climate impacts on their loan portfolios. These risks can be mitigated through short-term lending strategies, portfolio diversification, and reduced exposure to activities involving high climate risks.

	Transition risks also emerge from heightened regulatory expectations regarding environmental standards and emissions reporting, which could impose minimum compliance requirements on businesses. At the Fund level, a key climate-related opportunity is the Fund's geographic diversification and exposure to a range of business models, including insurers, distributors, financial intermediaries and enabling technology companies. This diversification reduces concentration to specific climate hazards, regulatory changes or market dynamics in any single geography or segment, thereby enhancing the resilience of the portfolio to climate-related risks. Beyond this diversification benefit, climate change may create opportunities that are aligned with the Fund's impact strategy. Growing exposure to weather-related losses is expected to increase demand for insurance and reinsurance solutions that support resilience and adaptation. In addition, enabling technology companies may experience increased demand for products and services that help businesses and financial institutions assess, monitor and manage climate-related risks, including compliance with evolving regulatory requirements.
Describe the impact of climate-related risks and opportunities on the Fund's businesses, strategy, and financial planning.	Climate-related risks manifest differently for IIF-PE II at the Fund level compared to its portfolio companies. This distinction arises primarily because the Fund typically holds investments for approximately five years, whereas the majority of climate change effects in the regions where the Fund invests are anticipated to occur between 2030 and 2050[1], and beyond. However, there is potential for severe weather events, exacerbated by climate change, to occur during the investment period. Such events could adversely affect the business performance of portfolio companies and complicate the Fund's ability to exit during challenging market conditions. For example, an extreme weather event that results in significant losses for an insurance company could impact its profitability. Nonetheless, the overall net impact on the portfolio is expected to be negligible within the Fund's investment timeframe.

[1] Note: There is no assurance that any forecast or projection will be realized.

	Fund climate-related opportunities primarily arise from the growing demand for climate insurance and related enabling services, as well as increasing regulatory pressure to identify, assess, and disclose climate-related risks. The heightened frequency and severity of extreme weather events will make it increasingly vital for climate-vulnerable populations to access risk coping mechanisms, such as climate insurance, to safeguard their assets and livelihoods. Consequently, this presents an opportunity for the Fund to invest in fast-growing companies that are developing climate adaptation solutions within the insurance sector's value chain. The impact objective of enhancing climate resilience is deeply integrated into the Fund's strategy and investment lifecycle. Through robust investment and impact management processes, each investment is evaluated from both a financial as well as an ESG (Environmental, Social, and Governance) and impact perspective. This ensures that it not only contributes to the objectives of climate adaptation and resilience but also does so in a commercially viable manner.
Describe the resilience of the Fund's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	We believe that currently available quantitative scenario solutions do not correctly reflect the specific risks and profile of our investment strategy and therefore could be misleading to investors. As a result, we do not currently run a quantitative scenario assessment. However, we recognize the increasing importance of and need for quantitative scenario assessments, particularly as climate change becomes ever more material and numerous future pathways need to be understood. We are currently exploring additional data providers that undertake quantitative assessments, with a particular focus on the coverage of physical risks within developing countries. The Fund Manager has, however, undertaken a qualitative assessment of the potential impacts from three climate scenarios[2]: (i) Net Zero 2050, (ii) Delayed Transition, and (iii) Current Policies.

[2] Based on the data and technical resources corresponding to version 5 of the Network for Greening the Financial System (NGFS) scenarios published in November 2024

	Assessing the key countries of investment of the Fund, the main impacts could be observed under a Current Policies scenario, which assumes a 3 °C warming due to only currently implemented policies being preserved, leading to high physical risks. The most pronounced impacts in terms of change in mean air temperature, fraction of population annually exposed to heatwaves, crop failures and changes in precipitation are expected to occur by 2050[3], or beyond. Short-term impacts, even in the most conservative scenario (until 2030[4]) are likely to be rather moderate.[5] Given the relatively short investment periods, the Fund ´s strategy is not expected to be significantly affected.
Risk Management	
Describe the Fund's processes for identifying and assessing climate-related risks.	As part of the ESG assessment, BOF systematically evaluates the capacity of each portfolio company to assess climate risks in regard to their business model. The ESG questionnaire identifies a company's organizational capabilities and governance framework relating to environmental risk management across short, medium, and long-term horizons. It specifically evaluates the company's emissions reduction or net-zero targets and commitments. It is important to note that the ESG assessment primarily focuses on "inside-out" risks, which examine how a company's operations impact the environment, rather than how external factors affect the company. Nevertheless, a high-level analysis of a company's institutional capacity to identify, understand, and mitigate such external risks is included in the ESG assessment process.

[3] Note: There is no assurance that any forecast or projection will be realized.
[4] Note: There is no assurance that any forecast or projection will be realized.
[5] Based on scenario analysis carried out with the "Climate Impact Explorer" tool, which allows to *"explore how climate impacts will play out over time at current emissions reductions levels (according to the scenario used by the Network for Greening the Financial System) and in other policy relevant scenarios, and how they will affect different areas of the selected country or province at different levels of warming."* Climate Analytics — Climate impact explorer *Last accessed in November 2024.*

	Since the Fund´s impact mandate relates to climate adaptation and resilience, climate-related risks need to be understood as they could hamper a company´s ability to deliver the sought impact. For instance, if certain climate risks become too expensive to insure, an investment in an insurance company might not yield the desired number of climate insurance beneficiaries as demand for such a product might be significantly affected if premiums increase too much. Such risks are systematically assessed as part of the impact analysis before any investment is made and affects the overall impact score of any given investment. The key climate-related impact risks that the Fund Manager considers in the impact assessment are: • alignment risk: e.g. climate insurance representing only a small portion of a business activity and might be abandoned if it becomes unprofitable • external risk: e.g. dependence on national subsidy programs • drop-off risk: e.g. impact not being sustained after our investment exit For every investment, a minimum impact score needs to be reached and requires approval from the Impact Committee, which has representation from both the Impact Management as well as Risk teams.
Describe the Fund's processes for managing climate-related risks.	As part of the annual impact monitoring, the Fund Manager requests information on extreme weather events that have affected the business operations of portfolio companies, while also monitoring the affordability of insurance-related products for end customers. Additionally, on a quarterly basis, the Fund analyses the number and volume of claims made and paid to identify changes in dynamics, such as whether a product may become unviable due to excessively high loss ratios. Furthermore, as the investment team typically holds a Board seat at each portfolio company, they receive timely updates regarding any significant climate-related catastrophes that may impact the company's financial performance.

	Using this information, the Fund Manager engages with portfolio companies to assess the extent and anticipated duration of such risks, as well as the mitigation actions implemented and the potential impact on the Fund. In material cases, the Investment Director would typically also inform the Investment Committee of the Fund.
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the Fund's overall risk management.	The Fund's risk management is primarily governed by two approval bodies: (i) the Impact Committee and (ii) the Investment Committee. As outlined in previous sections, the Impact Committee is responsible for approving the ESG and impact scorecards for potential investments, which includes a preliminary assessment of climate-related risks in relation to the Fund's impact mandate. The Head of Risk serves as one of two voting members on the Impact Committee, representing the risk management function in this forum. Following the Impact Committee's approval of an investment, the Investment Committee is then permitted to review and approve the transaction. The Head of Risk is also a voting member of the Investment Committee. Currently, the monitoring and management of some climate-related risks are delegated to the investment and impact management teams, as detailed in the preceding section.
Metrics and Targets	
Disclose the metrics used by the Fund to assess climate-related risks and opportunities in line with its strategy and risk management process.	Implied Temperature Rise (ITR) and Climate Value at Risk (Climate VAR) are not currently available for the Fund due to challenges associated with the availability of appropriate tools and methodologies for these metrics for private assets. We believe that currently available solutions do not correctly reflect the specific risks and profile of our assets and therefore could be misleading to investors. There is currently no quantitative metric to assess climate risks and opportunities for the Fund. However, for the qualitative assessment, we have considered the following KPIs to assess climate risks in the respective countries: • GHG emissions • Temperature rise

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- % of crop yield loss
- Fraction of population exposed to heatwaves
- Fraction of population exposed to crop failures
- Change in precipitation

In addition, the Fund collects information on the following impact KPIs on a quarterly basis to track the climate opportunities of the Fund:

- Number of climate insurance beneficiaries
- Climate change related vulnerability (ND-gain index)
- Gross Written Premium (USD)
- Sum Insured (USD)
- Number of claims and volume of claims (USD) paid

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<tr><td>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</td><td>

<table>
<tr><th rowspan="2">#</th><th rowspan="2">Metric</th><th rowspan="2">Definition</th><th rowspan="2">Scope</th><th colspan="3">2025[6]</th></tr>
<tr><th>Value</th><th>Coverage</th><th>Data estimated externally</th></tr>
<tr><td rowspan="4">1</td><td rowspan="4">Total Carbon Emissions</td><td rowspan="4">The absolute greenhouse gas emissions of a portfolio, expressed in tonnes CO_2e.</td><td>Scope 1</td><td>222</td><td>100%</td><td>100%</td></tr>
<tr><td>Scope 2</td><td>855</td><td>100%</td><td>100%</td></tr>
<tr><td>Scope 3</td><td>16’463</td><td>100%</td><td>100%</td></tr>
<tr><td>Total (1,2 & 3)</td><td>17’539</td><td>100%</td><td>100%</td></tr>
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[6] The financed emissions figures for 2025 are based on a year-end assessment as at 31 December 2025 using the JIM methodology and available underlying portfolio company data.

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<tr><td>2</td><td>Carbon footprint</td><td>Total carbon emissions for a portfolio normalized by the market value of the portfolio, expressed in tonnes CO_2e/€M invested.</td><td>Total (1,2 & 3)</td><td>222</td><td>100%</td><td>100%</td></tr>
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GHG emissions data is not directly available from the Fund's portfolio companies (Financial Institutions) as these Financial Institutions ("FIs") are not operating in a sector in which GHG emission is regularly calculated.

BOF uses the Joint Impact Model ("the JIM") to obtain estimates on FIs' GHG emissions (scope 1,2 and 3 (incl. financed emissions which are computed by taking into consideration FIs' portfolio sectoral breakdown)). The JIM is an independent model based on PCAF methodology and specifically developed for institutions operating in Emerging Markets. This year the computations were based on the JIM 3.1 model.

The JIM also integrates a "PAI tool" to compute Principal Adverse Impact indicators 1,2,3 based on estimated emissions, attribution factors and other relevant financial data (debt and equity of FIs). PAI 1,2,3 calculations are made by using the formula stipulated in the RTS Annex I.</td></tr>
<tr><td>Describe the targets used by the Fund to manage</td><td>BOF, as a member of the Schroders Group, has committed to Net Zero by 2050, whilst agreeing to the further inclusion of asset classes to the Group's Science-Based Targets</td></tr>
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climate-related risks and opportunities and performance against targets.	Initiative (SBTI) at or before 2040[7]. To achieve this objective, we are taking several steps. The first one is to start measuring the carbon footprint of our funds under management, including IIF-PE II. We have included climate reporting in all our ESG questionnaires and have added several climate-related KPIs to our annual data request.

[7] Note: There is no assurance that any forecast or projection will be realized.