

# Is it time for Insurance Debt?

*14 September 2022*

*Dinesh Pawar*

**Twelve Capital & J. Safra Sarasin  
Sustainable Asset Management**

# Table of contents



J. SAFRA SARASIN  
— SUSTAINABLE ASSET MANAGEMENT —



twelve  
CAPITAL

## Corporate Background

---

Investment Opportunity

---

Investment Process

---

Offering and Track Record

---

Appendix

---

# Corporate Background

## J. Safra Sarasin Sustainable Asset Management in Numbers



**J. SAFRA SARASIN**  
— SUSTAINABLE ASSET MANAGEMENT —



**twelve**  
CAPITAL



### Investment Funds vs Mandates

	CHF bn
Investment Funds	25.7
Institutional Mandates	13.3
Private Banking Mandates	13.8
Other <sup>1</sup>	2.9
<b>Total</b>	<b>55.7</b>

### JSS SAM Expertise

	CHF bn
Specialised Fixed Income	5.8
High Conviction Equities	13.0
Flexible Multi-Assets	29.9
Quant Systematic	1.1
Alternative Investments	5.9
<b>Total</b>	<b>55.7</b>

### ESG Credentials

**19** # Strategies with 5 Globes (Morningstar)<sup>2</sup>

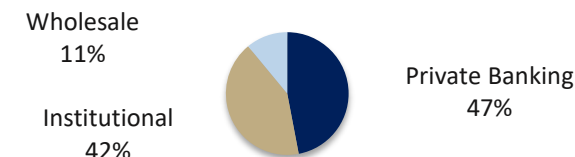
**36** # Strategies rated MSCI ESG Leaders

### Funds with 1st Quartile Performance<sup>3</sup>

**11** 1 Year    **10** 3 Year    **6** 5 Year

**6** # Strategies with 5 Stars (Morningstar)<sup>2</sup>

### Assets Breakdown by Clients



Source: Bank J. Safra Sarasin Ltd, as of 31.12.2021;

<sup>1</sup> Including SAST, Certificates and Advisory; <sup>2</sup> Including J. Safra Sarasin Group Locations and White Label Partners;

<sup>3</sup> J. Safra Sarasin Funds; retail (P) and institutional (I) share classes only.

# Corporate Background

## Twelve Capital's ESG Partner: Bank J. Safra Sarasin

### Working together to deliver a comprehensive ESG Framework

For 10 years Twelve Capital has partnered with Bank J. Safra Sarasin who are active in sustainable investing.

Rationale:

- 30yrs of Sustainable Investing - launching mandates that focus on ecological criteria since 1989
- Sustainability is at the centre of corporate, investment processes, and every aspect of its business activities
- Recognised as one of Switzerland's market leaders in sustainable investing
- Extensive and well recognised screening process, encompassing a thorough exclusion process focusing on companies that breach global norms and/or highly controversial business activities
- A complimentary ESG Analysis and Reporting framework that operates in tandem with Twelve Capital's
- Multi award-winner and is a globally recognised brand amongst the ESG community



2019 Award Winner:  
"World's Best Private Bank  
for Social Responsibility"



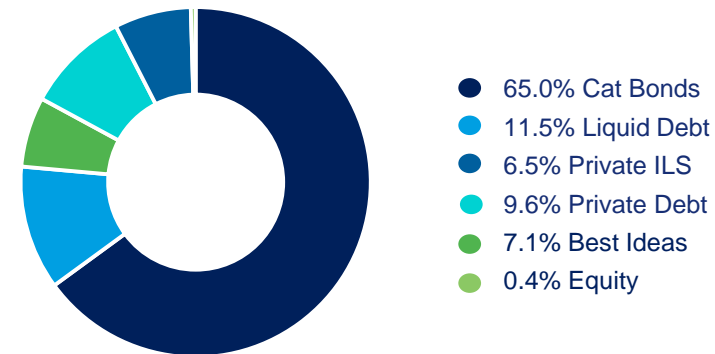
# Corporate Background

## Twelve Capital as specialised investment manager

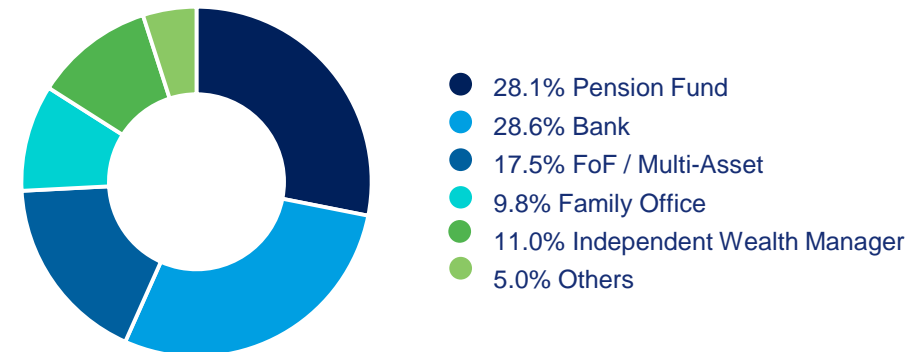
### Twelve Capital – About us

- Founded in 2010 and headquartered in Zurich with further offices in London and Munich
- Independent and privately owned investment manager focusing on the insurance industry
- Dedicated to client needs with specialised and bespoke investment solutions across various asset classes, managing approx. USD 3.8bn
- Leading provider of capital to the insurance and reinsurance industry
- More than 45 professionals with multi-year track records and experiences
- Highly specialised and complementary skill sets ranging from sourcing, analytics, portfolio management, risk management and legal structuring

**AuM by Strategy\***



**AuM by type of investors**



Source: Twelve Capital. As at 30 June 2022. \*For illiquid strategies, figures may be based on estimates. AuM = Assets under Management.

# Corporate Background

## Broad expertise since 2010



# Table of contents



J. SAFRA SARASIN  
— SUSTAINABLE ASSET MANAGEMENT —



twelve  
CAPITAL

Corporate Background

---

**Investment Opportunity**

---

Investment Process

---

Offering and Track Record

---

Appendix

---

# Investment Opportunity

## Insurance Bonds with Twelve Capital



J. SAFRA SARASIN  
— SUSTAINABLE ASSET MANAGEMENT —



twelve  
CAPITAL



Investment grade focused bond strategy



Sector benefitting from regulatory uplift



Track record since 2010 delivering insurance sector returns



Sector with low historical default rates



Demonstrable yield pick up versus other sectors



Potential risk factors include interest rate risk or issuer risk



# Investment Opportunity

## Global sector fund benefiting from significant diversification potential



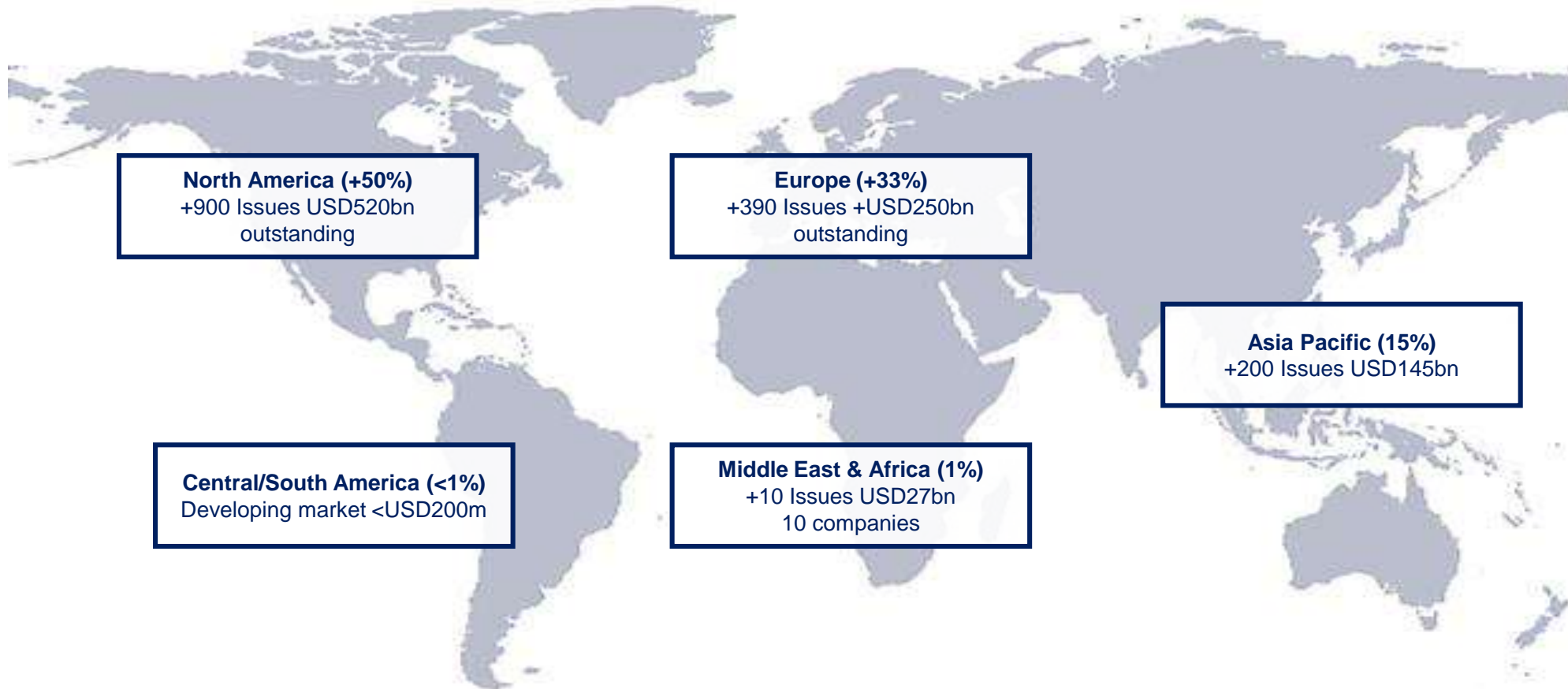
J. SAFRA SARASIN  
— SUSTAINABLE ASSET MANAGEMENT —



twelve  
CAPITAL

Globally diverse investable universe with >USD 950bn of bonds outstanding

2021 has seen a further EUR 9bn of issuance in Europe

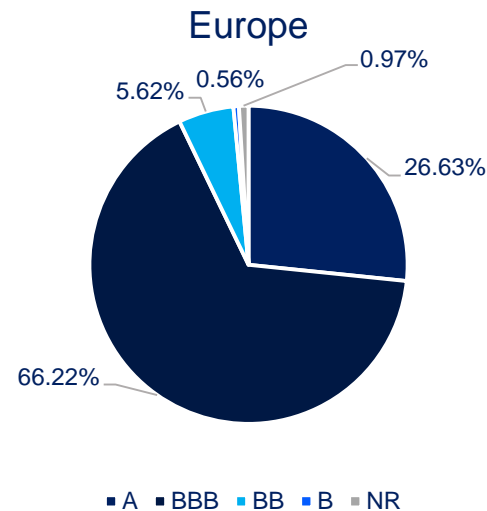


Source: Bloomberg. As at June 2021. "Investible" bonds defined as issues with principal outstanding >USD150m.

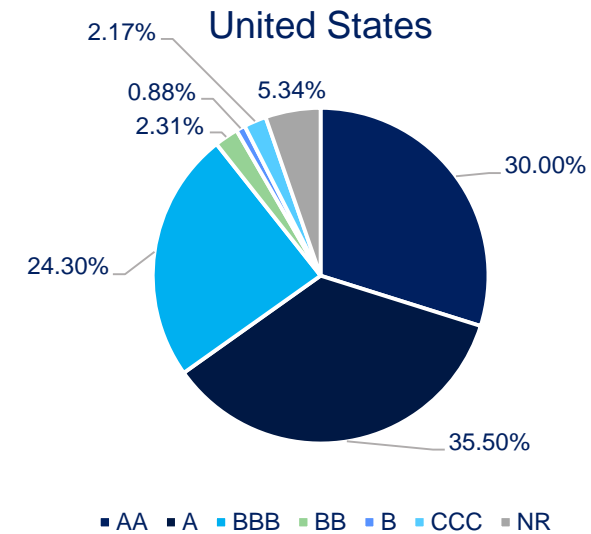
# Investment Opportunity

## Liquid, investment grade dominated insurance bond strategy

Sector's defensive character reflected in clear investment grade ratings skew within core regions



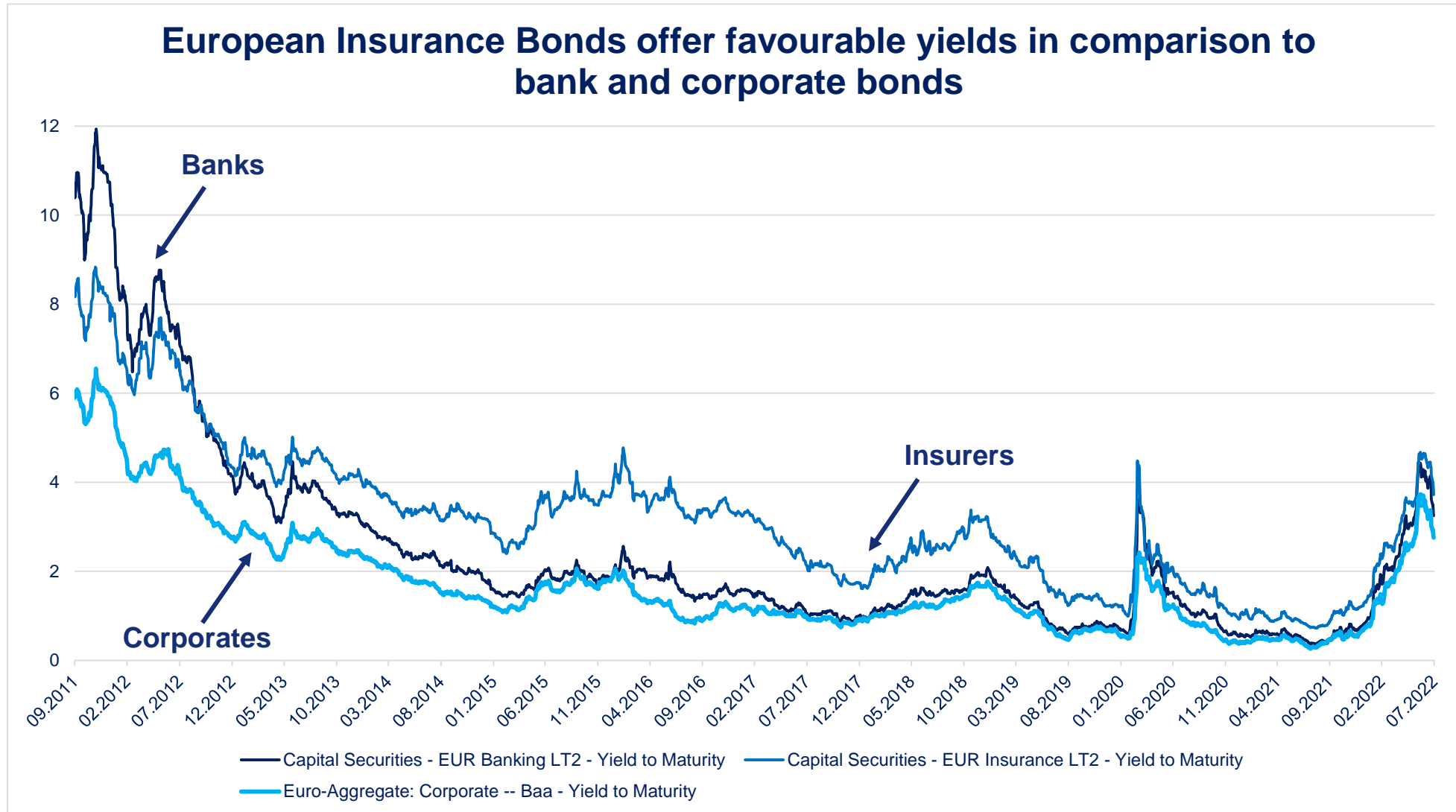
**+90% investment grade**



**+90% investment grade**

# Investment Opportunity

## Higher yielding sector, but not high yield

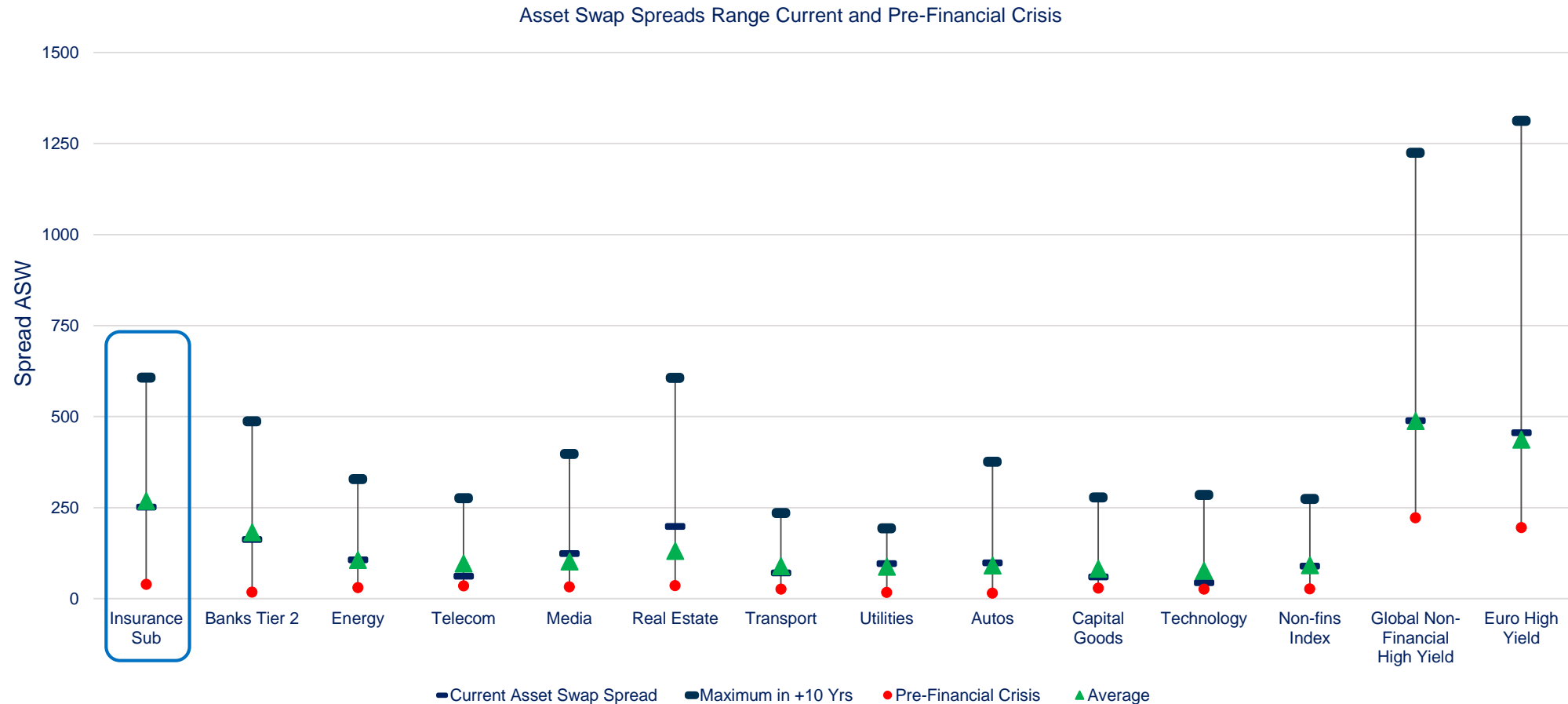


Source: Barclays Live. As at 31 July 2022.

# Investment Opportunity

## Higher yielding sector, but not high yield

Higher yielding sector predominantly IG rated, spread range indicating further compression to come, other sectors having returned close to their pre-financial crisis levels



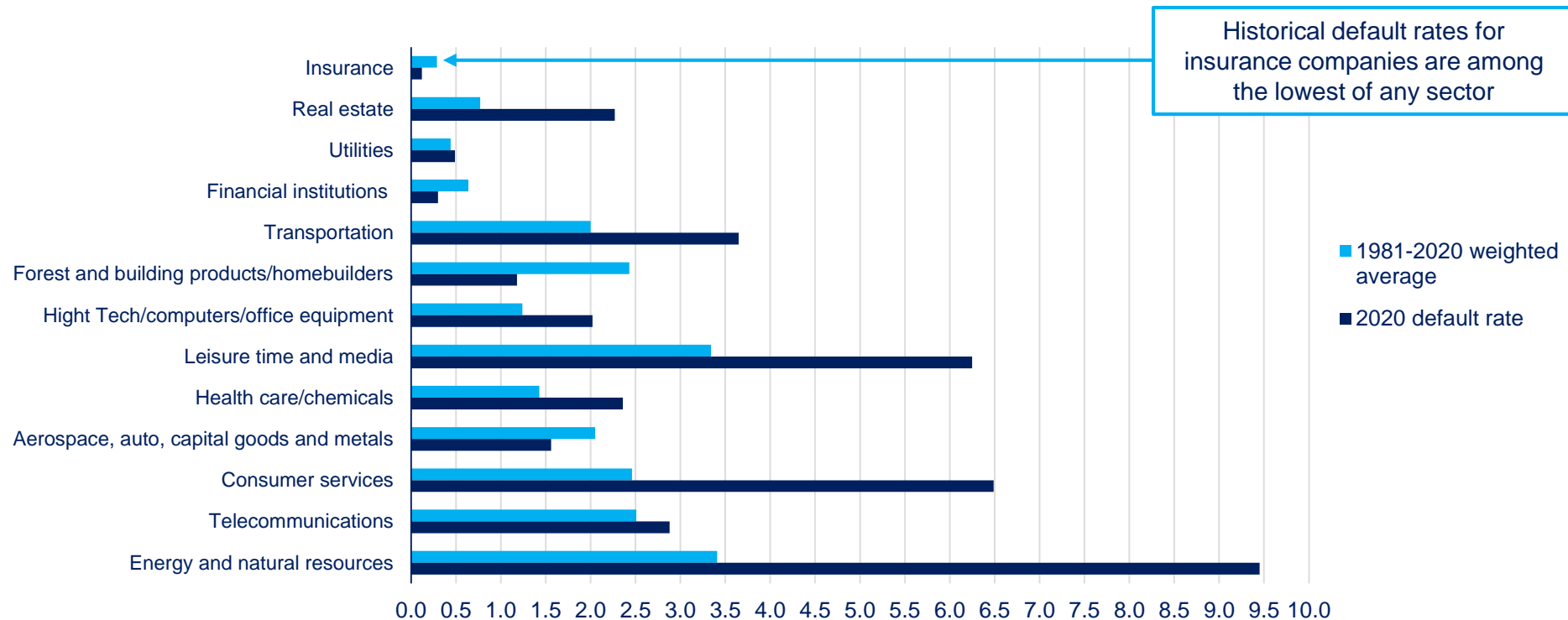
Source: Twelve Capital, BOA Indices, Bloomberg data in EUR. As at 31 July 2022.

# Investment Opportunity

## Highly regulated sector, defensive in nature

### Sector's defensive character evidenced by low historical default rates

Global corporate default rates by industry: 2020 versus long-term average



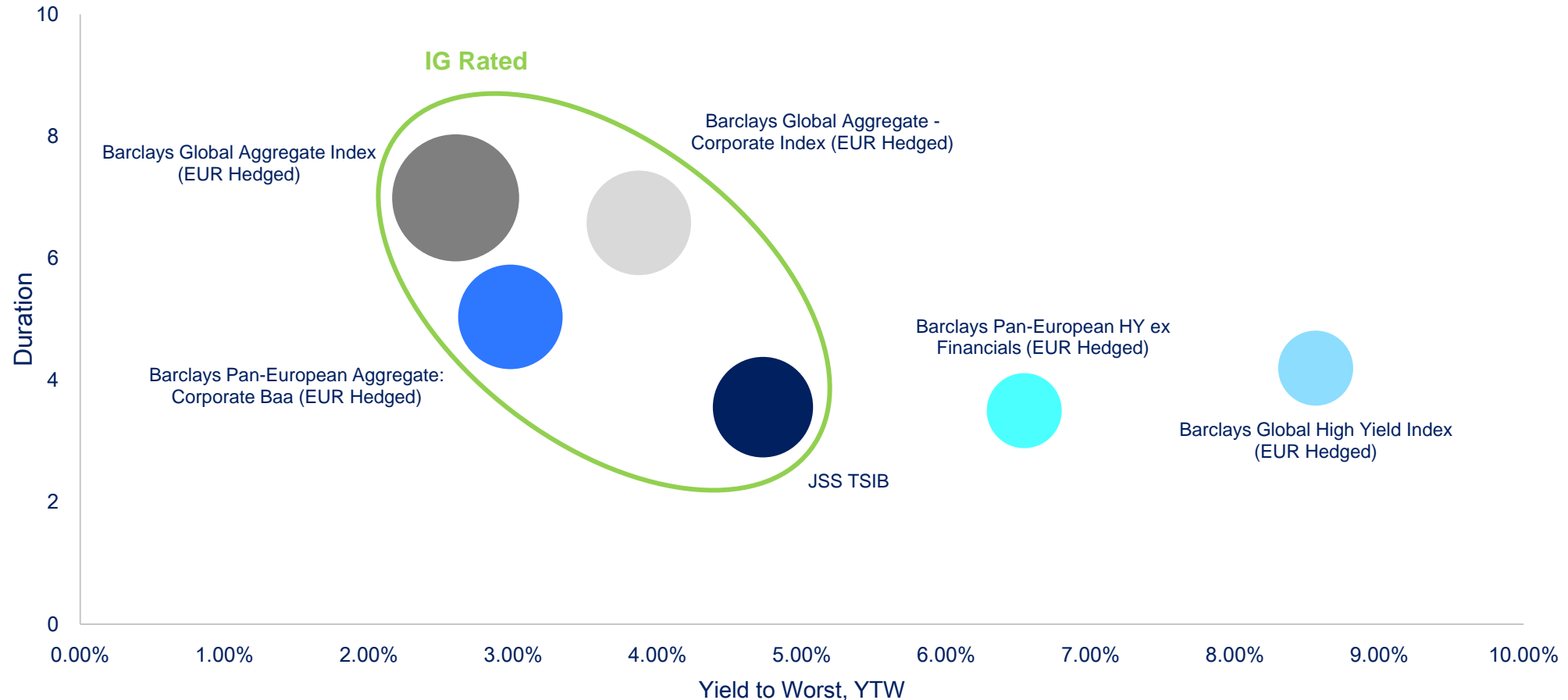
Source: Standard & Poor's Global Fixed Income Research and Standard & Poor's CreditPro®.

# Investment Opportunity

## Yield to Worst (YTW) vs duration 5yr period



Within the Investment Grade (IG) universe, JSS Twelve Sustainable Insurance Bond (JSS TSIB) comparatively offers improved YTW, whilst simultaneously offering a lower duration



Source: Twelve Capital. As at 31 July 2022. **Past performance is not indicative of future returns.** Performance gross of fees. An investment in the fund may increase or decrease in value and therefore the amount invested may not be fully recuperated. The area of the circle represents the credit quality, the larger the circle, the higher the credit quality. Based on annual TERs (Total Expense Ratio) average is approx. 1.45%.



**Low carbon footprint.** 83% of insurers have a moderate footprint, compared to 53% for the broader universe.



**Low involvement in controversial activities.** The average involvement for the sector is of 0.5, compared to 1.0 for the broader universe (ranks 10<sup>th</sup> out of 40 industries covered).



**Better contribution to the SDG.** 30% of insurers display a “positive” or “highly positive” contribution to the SDG, compared to 24% for the broader universe.



**Providing resilience to Climate Change.** Insurance products strengthen resilience and adaptive capacity to climate-related hazards and natural disasters across the globe.



**Good Governance.** Strong regulatory oversight imply sound Governance practices across the sector.

# Table of contents



J. SAFRA SARASIN  
— SUSTAINABLE ASSET MANAGEMENT —



twelve  
CAPITAL

Corporate Background

---

Investment Opportunity

---

## Investment Process

---

Offering and Track Record

---

Appendix

---









# Investment Process

## Twelve Capital: Insurance Debt strategy expertise

CIO		Investment Committee (illiquid content only)*				
 <b>Dr Urs Ramseier</b>	<b>CIO</b>	Voting	<b>ILS Analytics</b>	Voting for ILS	<b>PM Private ILS</b>	Non-voting
	<b>CRO</b>	Non-voting, escalation right	<b>Credit Analytics</b>	Voting for Credit	<b>PM Private Debt</b>	Voting
	<b>CCO</b>	Non-voting, escalation right	<b>Sourcing ILS</b>	Non-voting	<b>Operations representative</b>	Non-voting
	<b>General Counsel</b>	Voting	<b>Sourcing Private Debt</b>	Non-voting		

### Investment Team

 <b>Dinesh Pawar</b> Managing Director Head of Insurance Bonds <sup>1</sup>	 <b>Vittorio Sangiorgio</b> Executive Director Head of Private Debt <sup>1</sup>	 <b>Carlo Petracca</b> Associate Director Credit & Equity Analyst
 <b>Dr Urs Ramseier</b> Founding Partner Executive Chairman/CIO	 <b>Etienne Schwartz</b> Executive Director Head of Multi Asset	 <b>Baptiste Champavere</b> Associate Director Credit Analyst

Analytics			Central functions		Control functions	
ILS and Portfolio	Legal	Credit & Equity	Trading & Execution	Operations	Risk Management	Compliance
Rhodri Morris Stefan Haring** Dr Alina Papina Dr Luke Chanda	Dr Christoph Buerer Anna Hall Mike Donovan Natalie Vivian	Vittorio Sangiorgio Christopher Spalton Carlo Petracca Baptiste Champavere	Karol Kurek Dinesh Pawar	Marcel Wildhaber Marta Melayova Amardip Verdi Mariapia Sabatelli Ivana Galisinova	Bruno Mueller Dr Alina Papina Dr Luke Chanda	Matthaues Fischer Dr Erasmus Faber Andreea Gherase Joanna Scott**

Source: Twelve Capital. As at September 2022. <sup>1</sup> PM in this asset class. PM = Portfolio Manager. \*In order to mitigate conflict of interest risks, the voting profile of the Investment Committee will differ according to the strategy or asset class under consideration, excluding those members who are directly involved such as Portfolio Managers of the strategy in question. \*\*Consultancy or Advisory functions.

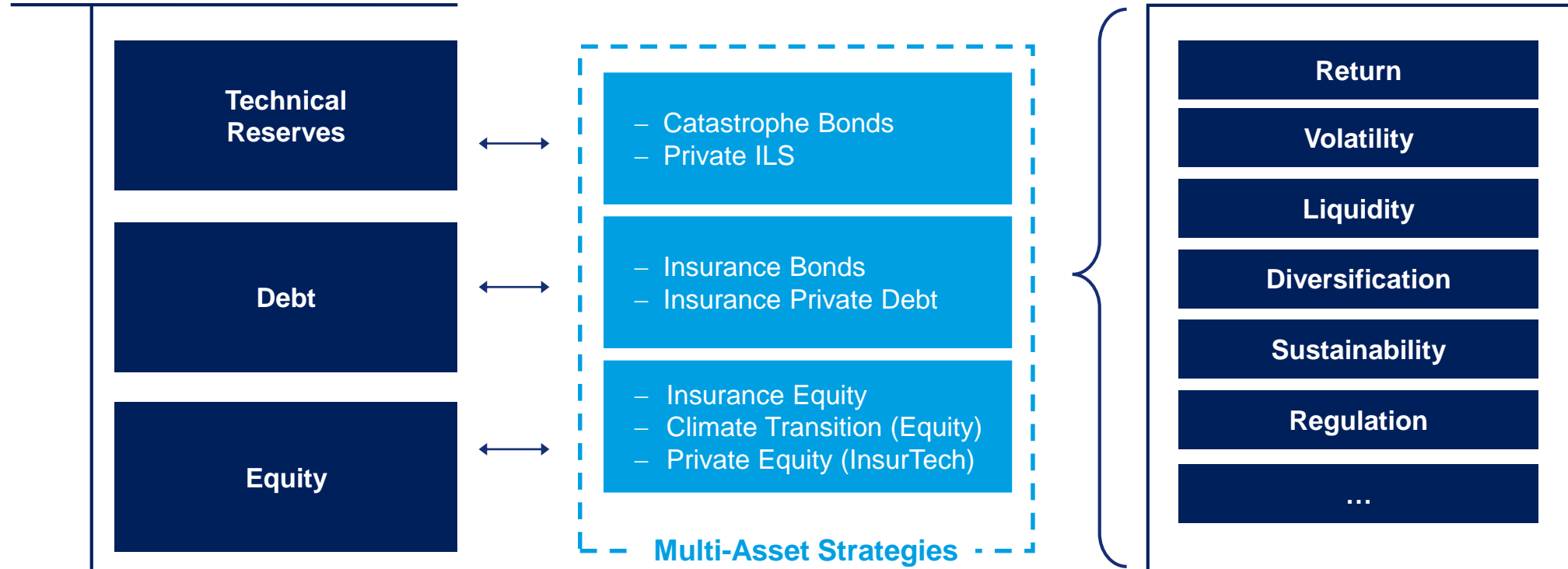
# Investment Process

## Twelve Capital: Whole balance sheet approach

(Re-) Insurance & other Financials  
Investment Universe

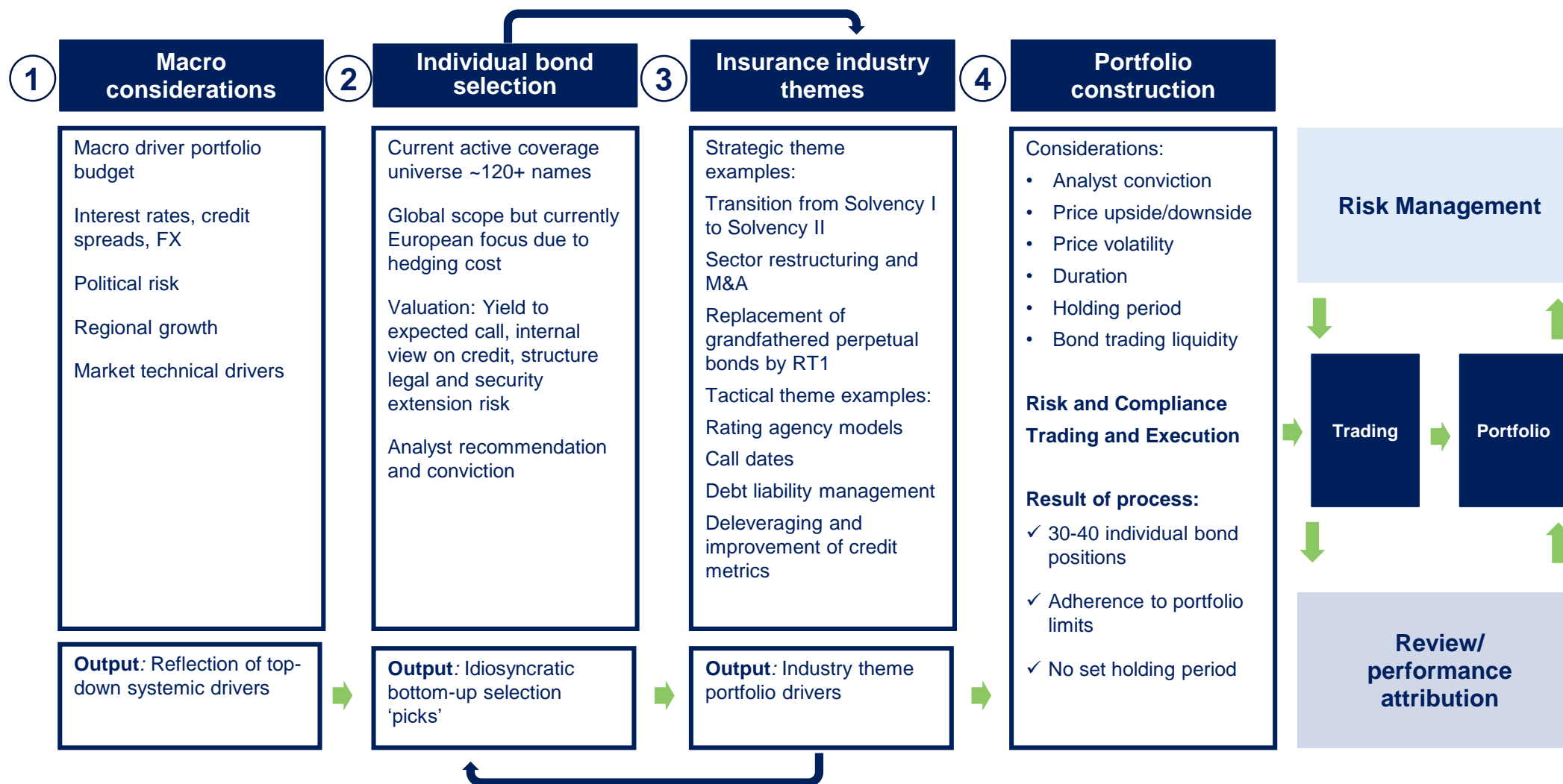


Investors



High regulatory density and industry-specific frameworks require special investment solutions that address investors objectives and add value for investors as well as issuers of securities.

# Investment Process Overview



# Investment Process

## Portfolio Construction Overview - Asset allocation

### Liquidity

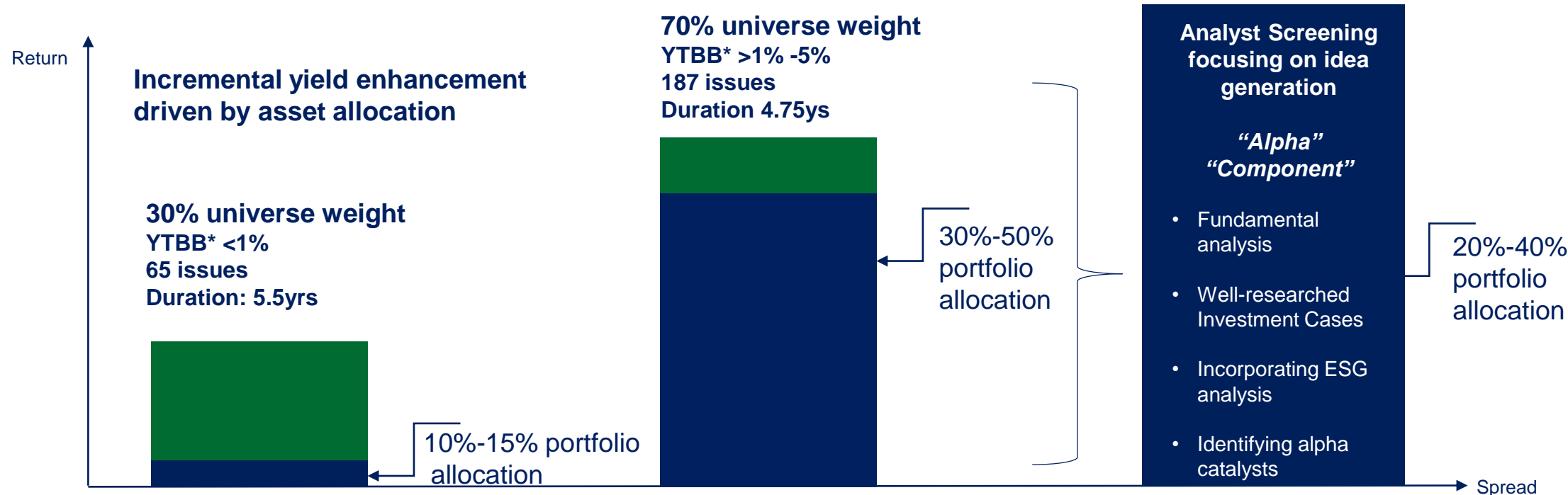
- Provides a capital buffer by investing in highly rated issuers
- Typically have a higher LQA (Liquidity Analysis Score)
- Provides a ratings uplift to the portfolio

### Core

- A broader allocation to the insurance investable universe
- Captures more “spread duration” or yield for the portfolio in whole over and above the “Liquidity” category

### High Conviction

- Reflects Twelve’s core bottom-up views
- A high conviction position can be from any part of the investable universe.
- Must exceed the +/- 50bps of the issuer within the universe to qualify



\*YTBB = Yield to expected buy-back); based on Twelve Capitals Analytics

Past performance is not indicative of future returns. Performance figures are gross of fees and costs. The money placed in the fund can both increase and decrease in value and you may not get back the full invested amount.

### ESG Approach

- Art.8 compliant funds under EU SFDR
- Twelve’s ESG investment approach provides a guiding principle for investment decisions and aims to ensure that core values are integrated into investment practices and individual behaviors.
- ESG Rating: The Sustainability Impact Rating is an internal score produced by Twelve Capital’s proprietary ESG Rating Framework, developed to assess the ESG aspects of an asset, and provide meaningful output that can be incorporated into investment decisions
- Four-stage ESG investment process:
  1. ESG Exclusion criteria: Exclusion of “hard” limits based on UN PRI (e.g. controversial weapons, tobacco) and exclusion of critical candidates within the insurance universe based on proprietary Twelve screening.
  2. Inclusion of the ESG Risk Score into the risk return analysis
  3. Maintaining a minimum average ESG Rating
  4. Promotion of ESG through Stewardship: engagement with counterparties to improve sustainability scores.

### Operational Aspects

- Each Security is analysed from an ESG perspective.
- As part of the analysis, Twelve Capital considers both the “Issuer” and the “Instrument”. This allows Twelve to determine how a company is positioned in relation to a forward-looking ESG stance in addition to consideration of where the capital provided by the instrument is specifically utilised.
- The analysis uses a proprietary methodology developed by Twelve Capital to ensure a repeatable, robust and intuitive process.
- Assessment of the ESG Rating draws upon both internal expertise and analytics, as well as partnering with an ESG expert data provider.
- The data provider was selected according to a number of criteria, such as the coverage of the insurance sector, the quality of the analysis and the transparency of the methodology.

# Table of contents



J. SAFRA SARASIN  
— SUSTAINABLE ASSET MANAGEMENT —



twelve  
CAPITAL

Corporate Background

---

Investment Opportunity

---

Investment Process

---

**Offering and Track Record**

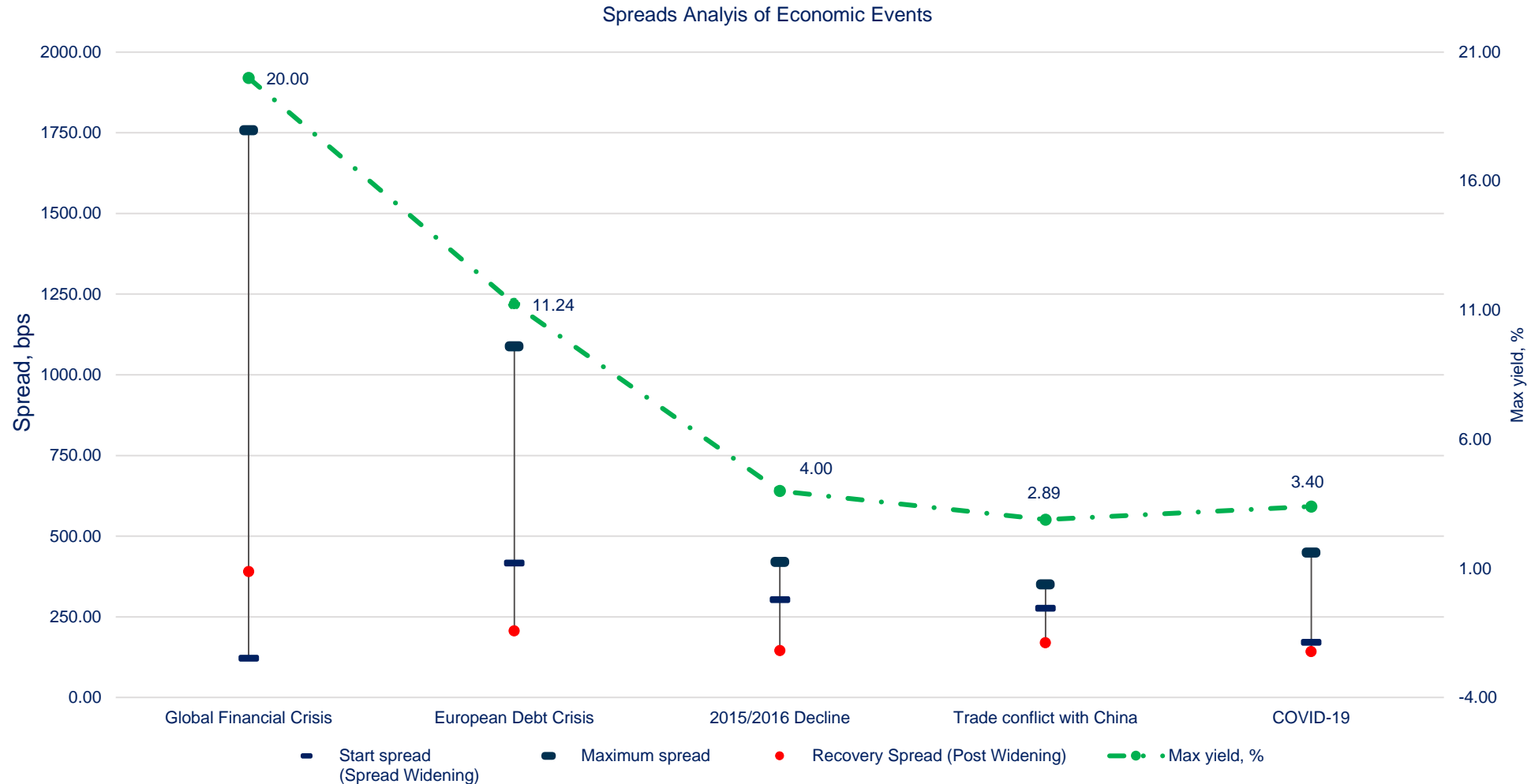
---

Appendix

---

# Offering and Track Record

## Insurance Bond Spreads in previous distressed markets



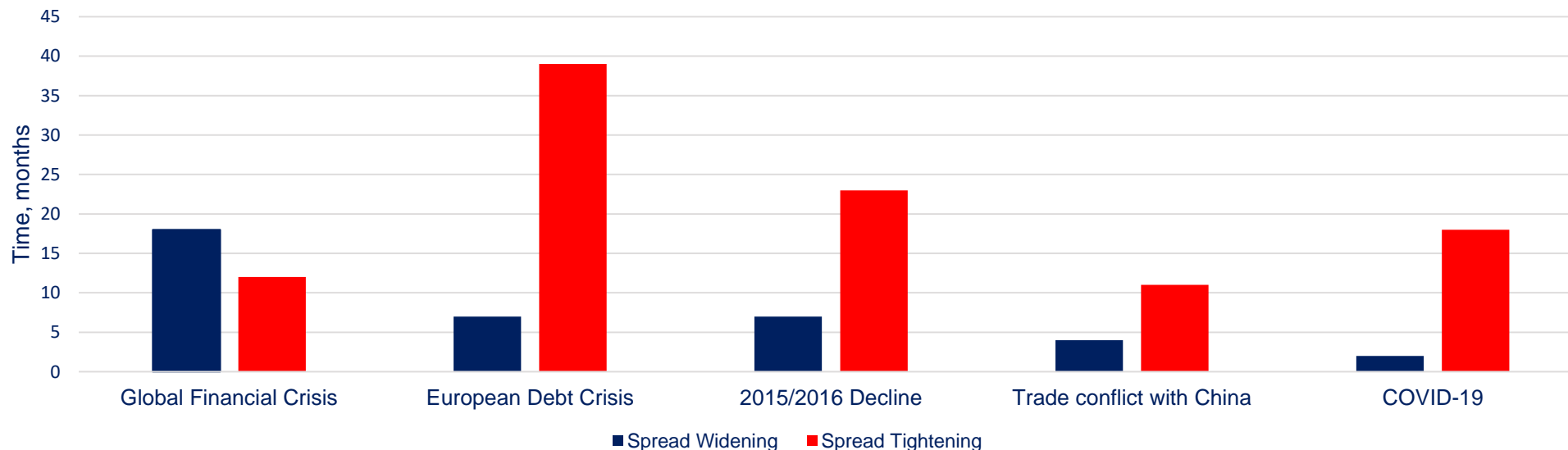
Source: Twelve Capital. As at July 2022. Past performance is not indicative of future returns.

# Offering and Track Record

## Insurance Bond Spreads in previous distressed markets

Event	Start	Date of maximum spread	Date of recovery spread	Spread Widening (months)	Spread Recovery (months)	Spread at start (bps)	Max spread (bps)	Min spread (bps)	Increase from start to max (bps)	Decrease from max to min (bps)
Global Financial Crisis	2007-09-28	2009-03-31	2010-04-30	17	13	120.86	1757.74	390.45	1636.88	1367.28
European Debt Crisis	2011-03-31	2011-11-30	2015-03-06	5	41	415.86	1088.30	206.73	672.44	881.57
2015/2016 Decline	2015-06-30	2016-02-11	2018-01-29	7	23	302.95	420.08	145.48	117.13	274.60
Trade conflict with China	2018-08-31	2019-01-03	2019-12-30	2	13	275.92	350.29	169.76	74.37	180.53
COVID-19	2019-12-31	2020-03-23	2021-09-23	2	17	170.09	449.24	142.44	279.15	306.80

Spread Widening and Tightening Cycles Time Period





# Offering and Track Record

## Portfolio snapshot: JSS Twelve Sustainable Insurance Bond

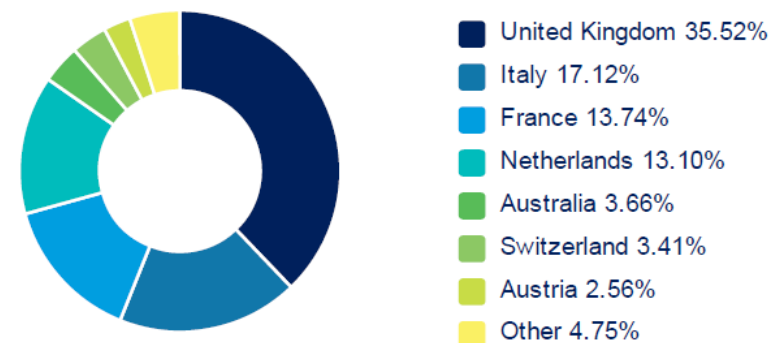
### Portfolio characteristics

Average coupon	5.03%
Yield to expected buyback in bond ccy	5.14%
Yield to expected buyback hedged to share class ccy	4.36%
Yield to next call	5.19%
Average bond price	97.12
Average issue rating	BBB- to BBB
Modified duration	3.49
Investment degree	93.87%
Sustainability ratio <sup>4</sup>	93.87
Number of positions	68

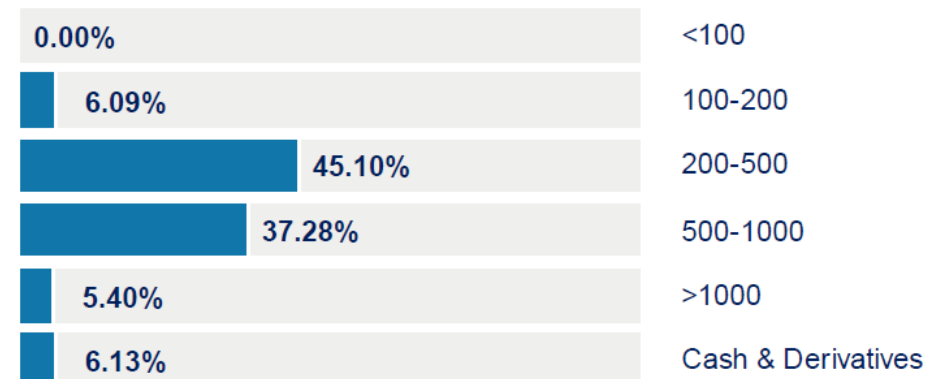
### Top 10 portfolio positions

UNIPOLSAI ASSICURAZIONI FLT PERP SR:EMTN	4.05%
INTESA SANPAOLO VITA SPA FLT PERP	3.12%
HISCOX LTD FLT 11/24/45	3.11%
AXA SA FLT PERP SR:eMTN	2.87%
ACHMEA BV FLT PERP SR:EMTN	2.82%
LA MONDIALE FLT PERP	2.80%
SOC CATTOLICA ASSICURAZI FLT 12/14/47	2.60%
AXA SA FLT PERP SR:EMTN	2.58%
ROTHESAY LIFE 8.000% 10/30/25	2.52%
PENSION INSURANCE 8.000% 11/23/26	2.31%

### Country allocation



### Allocation by issue size (in m EUR)



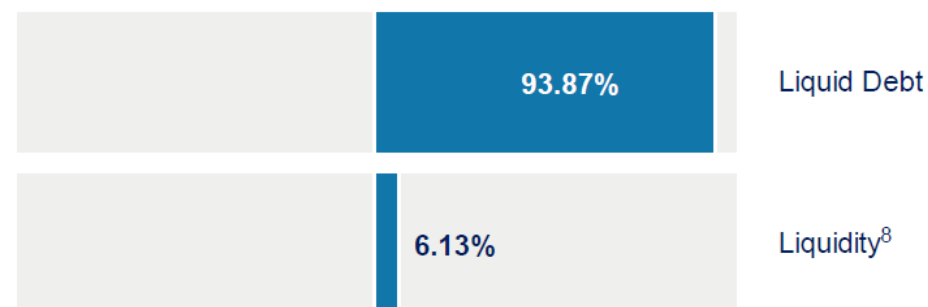
# Offering and Track Record

## Portfolio snapshot: JSS Twelve Sustainable Insurance Bond

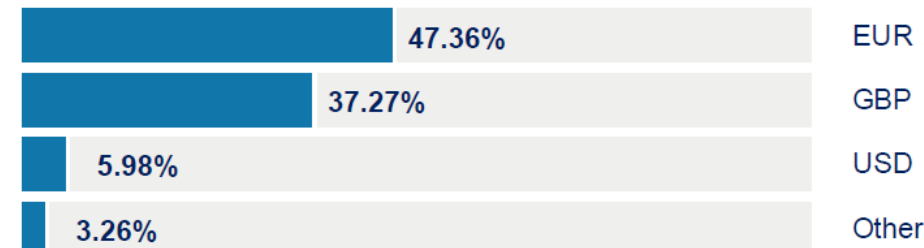
### Top/bottom contributors<sup>5</sup>

NN GROUP NV FLT PERP SR:EMTN	0.01%
PRUDENTIAL PLC 5.250% PERP SR:EMTN	0.01%
PRUDENTIAL PLC 4.375% PERP SR:EMTN	0.01%
ASR NEDERLAND NV FLT PERP	0.00%
UNIQA INSURANCE GROUP AG FLT 07/27/46	0.00%
JUST GROUP PLC FLT PERP	-0.32%
PHOENIX GRP HLD PLC 4.375% 01/24/29 SR:EMTN	-0.31%
MAPFRE SA FLT 03/31/47	-0.30%
DIRECT LINE INSURANCE GR FLT PERP	-0.30%
QBE INSURANCE GROUP LTD FLT 09/13/38 SR:EMTN	-0.29%

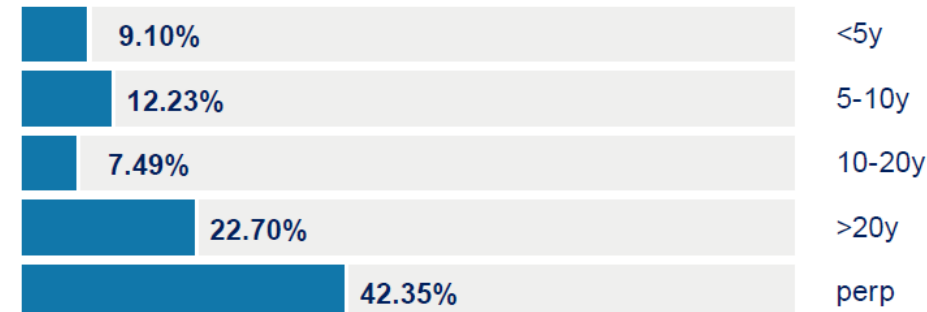
### Asset allocation



### Currency allocation<sup>6</sup>

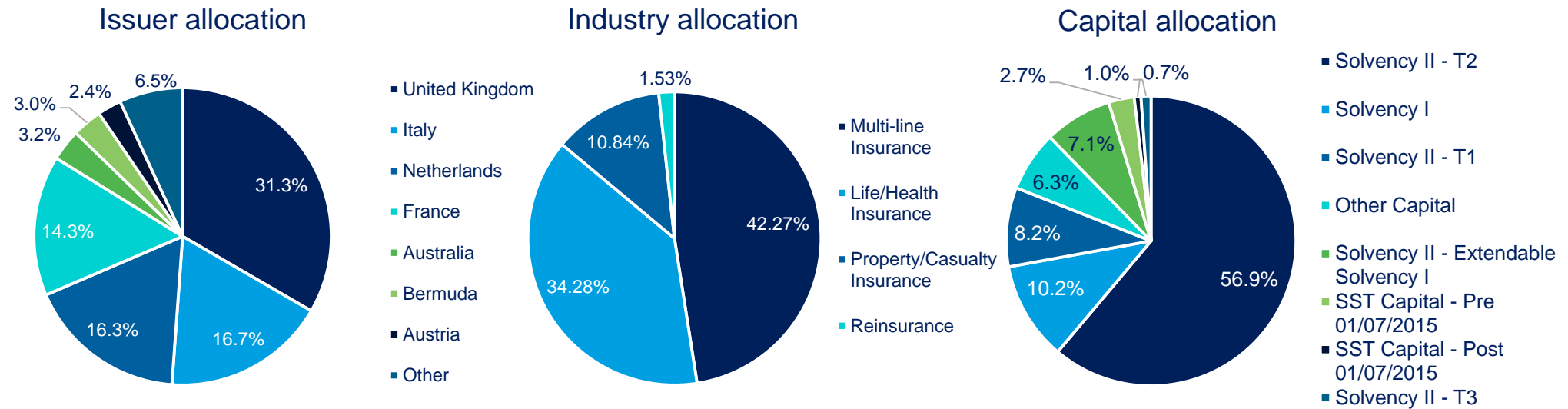


### Maturity profile



# Offering and Track Record

## Portfolio allocation: JSS Twelve Sustainable Insurance Bond



Source: Twelve Capital. As at 31 July 2022.

# Offering and Track Record

## Insurance Bond fund managed by Twelve Capital



JSS Twelve Sustainable Insurance Bond*													
Luxembourg SICAV-UCITS	Monthly return							Fund size: EUR 417.89m*					
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014											0.46%	0.23%	<b>0.70%</b>
2015	2.20%	1.42%	-0.35%	-0.36%	-1.03%	-2.71%	1.76%	-1.54%	-1.71%	1.39%	1.36%	-1.08%	<b>-0.80%</b>
2016	-2.97%	-3.40%	3.74%	1.22%	0.16%	-1.77%	3.54%	2.77%	-0.71%	0.43%	-1.41%	2.03%	<b>3.36%</b>
2017	1.39%	1.16%	0.62%	1.45%	1.62%	0.54%	1.54%	0.67%	0.61%	1.23%	0.79%	0.56%	<b>12.89%</b>
2018	1.01%	-1.46%	-1.22%	0.46%	-2.40%	-1.23%	1.76%	-1.01%	-0.23%	-1.35%	-1.91%	-0.36%	<b>-7.74%</b>
2019	2.67%	0.66%	0.90%	2.33%	-2.07%	3.46%	1.22%	0.85%	-0.15%	1.24%	0.41%	1.29%	<b>13.47%</b>
2020	1.08%	-1.81%	-11.00%	5.52%	0.88%	0.80%	1.93%	1.24%	-0.13%	0.02%	2.63%	0.92%	<b>1.18%</b>
2021	-0.41%	-0.17%	0.76%	0.86%	0.01%	0.58%	0.47%	0.35%	-0.16%	-0.84%	-0.59%	0.69%	<b>1.53%</b>
2022	-1.87%	-3.49%	0.04%	-2.49%	-0.31%	-4.41%	2.27%	-1.76%					<b>-11.55%</b>

Inception date: 31.10.2014 Share class: I EUR

Performance statistics	
1 Year	-12.34%
3 Years annualised	-2.24%
5 Years annualised	-0.36%
Since inception annualised	1.33%
Volatility annualised	7.08%

Rolling performance							
Aug-Aug	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022
	2.96%	9.70%	-0.99%	6.16%	0.57%	5.99%	-12.34%


Source: Twelve Capital. As at 31 August 2022. **Past performance is not indicative of future returns. Performance figures are net of fees and costs. The money placed in the fund can both increase and decrease in value and you may not get back the full invested amount.** NAV as calculated by the fund administrator, any minor differences attributable to rounding. \*Until 22 July 2021 JSS Twelve Insurance Bond Opportunities, since 23 July 2021 JSS Twelve Sustainable Insurance Bond. Total expense ratio is 0.72% as at 30 June 2021.

# Offering and Track Record

## JSS Twelve Sustainable Insurance Bond (UCITS SICAV)

### JSS Twelve Sustainable Insurance Bond (UCITS SICAV): Art. 8 compliant fund under EU SFDR



<b>Investment universe</b>	Bonds issued by insurance companies worldwide			
<b>Primary investments</b>	Bonds issued by insurance companies worldwide			
<b>Estimated capacity</b>	EUR 2bn			
<b>Benchmark</b>	3m EUR LIBOR + 2%			
<b>Inception date</b>	31 October 2014*			
<b>Fund currency</b>	EUR			
<b>Domicile</b>	Luxembourg			
<b>ISIN</b>	I EUR acc.: I CHF acc.: I USD acc.: I3 EUR acc.: I3 CHF acc.: I3 USD acc.:	LU1111709249 LU1111709322 LU1111709595 LU2075972443 LU2075972286 LU2075972799	I10 EUR acc.: I10 CHF acc.: I10 USD acc.: I30 EUR acc.: I30 CHF acc.: I30 USD acc.: I30 GBP dis.:	LU2075973334 LU2075973177 LU2075973508 LU1629313856 LU1629314078 LU1629314235 LU1629314581
<b>NAV calculation</b>	Daily			
<b>Subscriptions</b>	12pm CET on the Valuation day			
<b>Redemptions</b>	12pm CET, 5 business days prior to the Valuation day			
<b>Minimum investment</b>	I class: 1'000'000	I3 class: 3'000'000	I10 class: 10'000'000	I30 class: 30'000'000
<b>Management fee</b>	I class: 0.50% p.a.	I3 class: 0.50% p.a.	I10 class: 0.45% p.a.	I30 class: 0.40% p.a.
<b>Performance fee</b>	none			
<b>Additional information</b>	<a href="http://www.jsafrasarasin.ch/funds">www.jsafrasarasin.ch/funds</a>			
<b>Risk factors</b>	Investments in fixed interest and floating rate securities entail additional risks, in particular interest rate and issuer risks			
<b>Sustainability Rating**</b>	 (5 out of 5)			

\*\*The Morningstar Sustainability Rating is a measure of how well the portfolio holdings are managing their ESG Risk relative to the portfolio's Global Category peer group. The Morningstar Historical Sustainability Score is a weighted average of the trailing 12 months of Morningstar Portfolio Sustainability Scores. Historical portfolio scores are not equal-weighted; rather, more-recent portfolios are weighted more heavily than older portfolios. Based on their Morningstar Historical Sustainability Score, funds are assigned absolute category and percent ranks within their Morningstar Global Categories. A fund's Morningstar Sustainability Rating (Globe Rating) is its normally distributed ordinal score and descriptive rank relative to the fund's global category. Higher ratings are better and indicate that a fund has, on average, more of its assets invested in companies that have lower ESG risk as characterized by Sustainalytics.

Source: Twelve Capital. As at 31 July 2022.

\*I EUR share class. Investors should seek their own tax advice since the fiscal treatment depends on the personal situation of each investor and may be subject to future changes.

# Table of contents



J. SAFRA SARASIN  
— SUSTAINABLE ASSET MANAGEMENT —



twelve  
CAPITAL

Corporate Background

---

Investment Opportunity

---

Investment Process

---

Offering and Track Record

---

**Appendix**

---



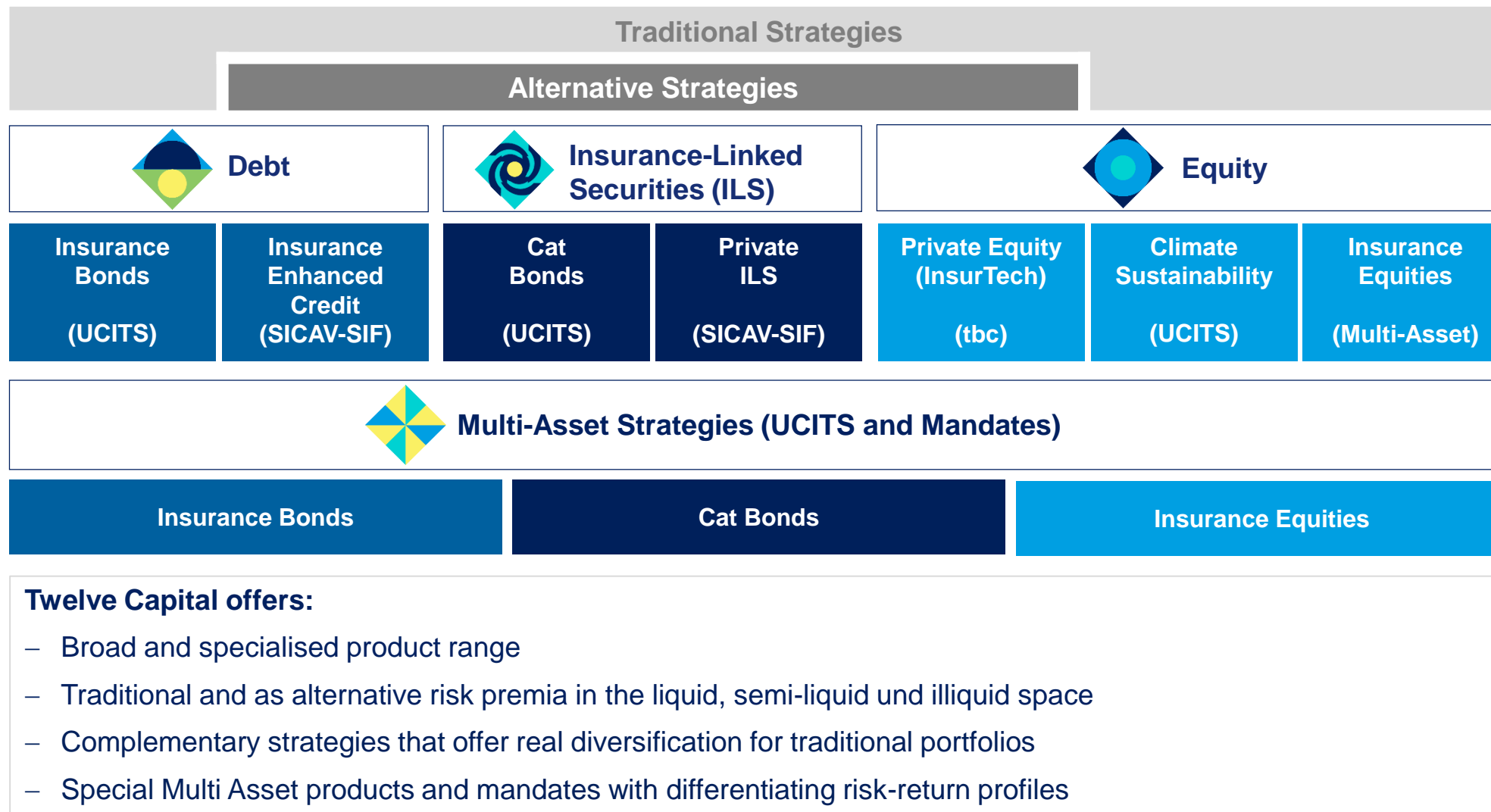
**Dinesh Pawar**  
**Managing Director**  
**Head of Insurance Bonds**

Dinesh Pawar joined Twelve Capital in July 2014.

Prior to joining the firm, Dinesh was a Senior Portfolio Manager and Head of Alpha Trading at Aviva Investors from 2009 to 2013. There he managed high alpha and benchmark funds worth GBP 2bn, which included overseeing credit portfolio trading strategies, trading tactics, hedging and the use of derivatives. In 2008, Dinesh served as the Market Risk Manager for Deutsche Bank Financial Markets, covering the bank's Loan Book, Loan Trading, Credit Origination and Global Risk Syndicate desks.

Between 2006 and 2008, Dinesh was a Director and Credit Trader at ABN AMRO, where he worked as part of the Credit Proprietary Trading desk focusing on EUR and GBP trading. Dinesh was a Credit Trader for the AlphaGen Credit Hedge Fund at Gartmore from 2003 to 2006, and also co-managed the Gartmore High Yield Retail Fund.

Dinesh holds a BA (Hons) in Business Finance and an MSc in Banking and International Finance from Cass Business School in London.

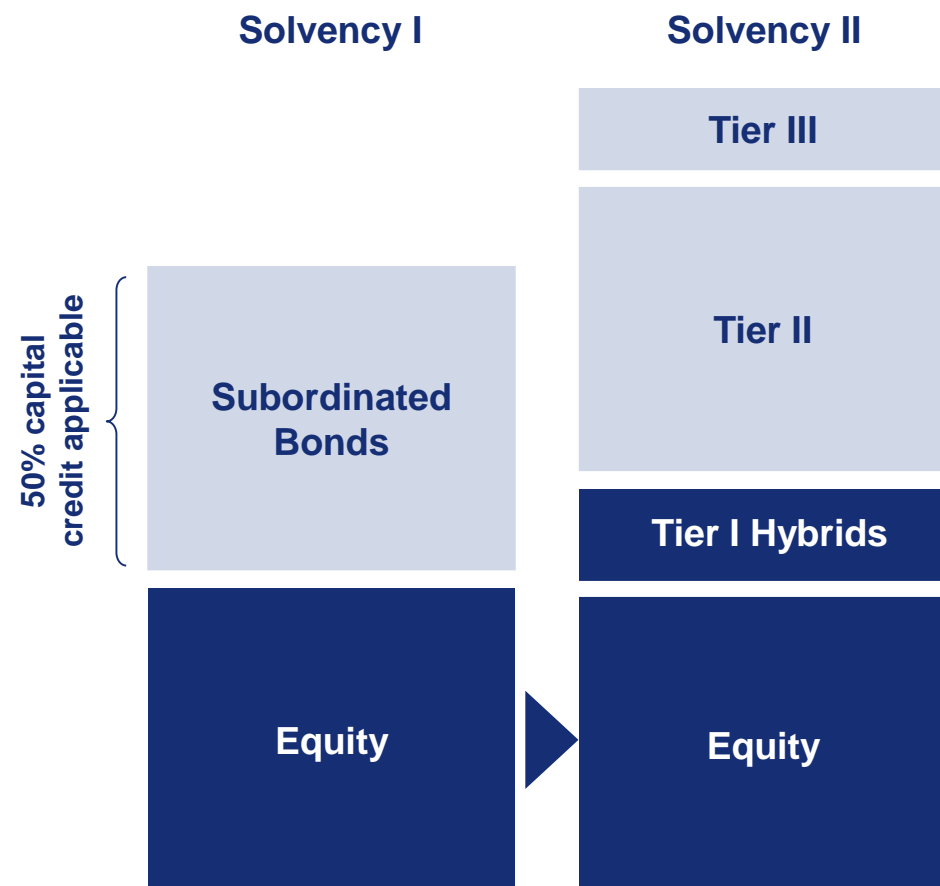




# Appendix

## Insurance Bonds in a European context

### Insurer's balance sheet - Solvency II impact on European insurer capital structures



#### Tier III

- Allowance: Less than 15% of total capital requirements
- Maturity: Minimum of 5 years
- Mandatory coupon deferral on MCR\* breach
- Principal loss only in insolvency

#### Tier II

- Allowance: When combined with Tier III, Tier II cannot exceed 50% of total capital requirements
- Maturity: Minimum of 10 years (callable after 5 years)
- Mandatory coupon deferral on SCR\*\* breach
- Principal loss only in insolvency

#### Tier I

- Allowance: Total Tier I minimum 50% of total capital requirements. Tier I eligible hybrids ('Restricted Tier I' or 'RTI') less than 20% of total Tier I
- RTI maturity: Undated (callable after 5 years)
- RTI mandatory coupon cancellation on SCR breach
- RTI principal loss-absorbing (equity conversion or write-down) on SCR breach



**Contact**  
**Index Glossary**  
**Disclaimer**

# Contacts



**David Miles**  
Head UK Institutional and Wholesale  
+44 20 3964 92 35  
+44 7834 343 432  
david.miles@jsafrasarasin.com



**John Fiddes**  
Senior Sales UK  
+44 20 3964 92 69  
+44 78 18 315 285  
john.fiddes@jsafrasarasin.com



**Felicity De Blasio**  
Head of Client Services  
+41 58 317 30 58  
+41 79 733 62 34  
felicity.deblasio@jsafrasarasin.com

Team email contact: [JSS\\_SAMUK@jsafrasarasin.com](mailto:JSS_SAMUK@jsafrasarasin.com)

## **Twelve Capital AG**

Dufourstrasse 101  
8008 Zurich, Switzerland  
T +41 (0)44 5000 120

## **Twelve Capital (UK) Ltd**

Moss House, 15-16 Brook's Mews  
London W1K 4DS, Great Britain  
T +44 (0)203 856 6760

## **Twelve Capital (DE) GmbH**

Theatinerstraße 11  
80333 Munich, Germany  
T +49 (0)89 839316 110

[info@twelvecapital.com](mailto:info@twelvecapital.com)  
[www.twelvecapital.com](http://www.twelvecapital.com)



# Index Glossary (1/2)

**Bloomberg Pan-European Aggregate Index** – The index is a subset of the Bloomberg Pan-European Aggregate Index and tracks fixed-rate, investment-grade securities issued in different European currencies. (LP06TREU)

**Bloomberg Pan-European HY ex Financials Index** – The index is a subset of the Bloomberg Pan-European High Yield Index and measures the market of non-investment grade, fixed-rate corporate bonds denominated in different European currencies. (I20671EU)

**Bloomberg Global Aggregate - Corporate Index** – The index is a measure of global investment grade, fixed-rate corporate debt. This multi-currency benchmark includes bonds from developed and emerging markets issuers within the industrial, utility and financial sectors. (I09805US)

**Bloomberg Global Aggregate Total Return Index** – The index is a measure of global investment grade debt from 24 local currency markets. This benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers. (LEGATRUU)

**Bloomberg Global Credit - Insurance Total Return Index** – The index contains all outstanding global insurance debt hedged to EUR. (H04127EU)

**Bloomberg Global High Yield Index** – The index is a measure of the global high yield debt market. The index represents the union of the US High Yield, the Pan-European High Yield, and emerging markets hard currency high yield indices. (LG30TRUU)

**Bloomberg Insurance Subordinate Index** – The index contains subordinated insurance bonds. No official description available. (H08155US)

**Bloomberg Commodity Total Return Index** – The index is a broadly diversified commodity price index which tracks prices of futures contracts on physical commodities on the commodity markets. (BCOMTR)

**Dow Jones Credit Suisse Hedge Fund Index** – The index is an asset weighted benchmark that seeks to measure hedge fund performance and provide the most accurate representation of the hedge fund universe. (CORHI)

**EPRA/NAREIT Dev TR USD Index** – The index is designed to track the performance of listed real estate companies and REITS worldwide in USD. (TENGAU)

**Eurekahedge ILS Advisers Index** – The index is ILS Advisers and Eurekahedge's collaborative equally weighted index of 25 constituent funds. The index is designed to provide a broad measure of the performance of underlying hedge fund managers who explicitly allocate to insurance linked investments and have at least 70% of their portfolio invested in non-life risk. (EHFI300 Index)

**EURO STOXX 50 Index** – The index is composed of 50 large, listed companies in the euro area. It is considered one of the leading stock market barometers in Europe. (SX5E)

**HFRX Global Hedge Fund Index** – The index is designed to be representative of the overall composition of the hedge fund universe. (HFRXGLE)

**ICE BofA Global High Yield Index** – The index tracks the performance of below investment grade corporate debt publicly issued in domestic or Eurobond markets. (HW00)

**JPMorgan Hedged USD GBI Global Index** – The index measures the performance of leading government bond markets based on total return in USD. (JHDCGBIG)

**Markit iBoxx EUR High Yield Index** – The index is designed to reflect the performance of EUR denominated sub-investment grade corporate debt. (IBOXXMJA)

**Morningstar Broad Hedge Fund Index** – The index is a rules-based, asset-weighted index designed to capture the performance and behaviour of the most investable hedge funds. (MSDIBHFI)

**Morningstar Eurozone Cautious Global Target Allocation Index** – The Morningstar Target Allocation Index family consists of indexes that offer a diversified mix of stocks and bonds. The cautious index seeks 17.5% exposure to global equity markets. (MSAAEATE)

**Morningstar Eurozone Moderate Global Target Allocation Index** – The Morningstar Target Allocation Index family consists of indexes that offer a diversified mix of stocks and bonds. The moderate index seeks 50% exposure to global equity markets. (MSAAEMGE)

**MSCI World Insurance Index** – The index is an index focused at measuring the equity performance of the c.80 largest listed global insurance companies weighted by free-float of market capitalisation. (NDUWINSU)

**MSCI World Index** – The index is a market cap weighted stock market index of more than 1'550 companies throughout the world in USD. (MXWO)

**STOXX Europe 600 Index** – The index has a fixed number of 600 components representing large, mid and small capitalisation companies among 17 European countries. (SXXP)

**S&P 500 Index** – The index is a stock market index that measures the stock performance of 500 large companies listed on stock exchanges in the United States. (SPX)

**S&P GSCI Index** – The index serves as a benchmark for investments in the commodity markets and as a measure of commodity performance over time. (SPGSCITR)

**S&P/LSTA U.S. Leveraged Loan 100 Index** – The index is designed to reflect the performance of the largest facilities in the leveraged loan market. (SPBDLLB)

**Swiss Re Cat Global Bond Index** – The index calculated by Swiss Re Capital Markets, is a market value-weighted basket of natural cat bonds tracked by Swiss Re Capital Markets, calculated on a weekly basis. (SRGLTRR)

**Swiss Re US Wind Cat Bond Total Return Index** – The index tracks the total return for all single peril US Wind Cat Bonds. (SRUSWTRR)

# Disclaimer

This material has been prepared by Twelve Capital AG, Twelve Capital (UK) Limited, Twelve Capital (DE) GmbH or their affiliates (collectively, “Twelve Capital”). This material has been furnished solely upon request and is intended for the recipient personally and may not be reproduced or otherwise disseminated in whole or in part without prior written consent from Twelve Capital. It is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law as the product may not be authorised or its offering may be restricted in certain jurisdictions. It is the responsibility of every investor to satisfy himself as to the full observance of such laws, regulations and restrictions of the relevant jurisdiction. This is an advertising document.

This information was produced by Twelve Capital to the best of its knowledge and belief. However, the information herein may be based on estimates and may in no event be relied upon. All information and opinions contained in this document are subject to change without notice. Twelve Capital’s analyses and ratings, including Solvency II compliance analysis, Twelve Capital’s Counterparty Credit Rating and Twelve Capital’s Legal Rating, are statements of Twelve Capital’s current opinions and not statements of fact. Source for all data and charts (if not indicated otherwise): Twelve Capital. Twelve Capital does not assume any liability with respect to incorrect or incomplete information (whether received from public sources or whether prepared by itself or not). This material does not constitute a prospectus, a request/offer, nor a recommendation of any kind, e.g. to buy/subscribe or sell/redeem investment instruments or to perform other transactions. The investment instruments mentioned herein involve significant risks including the possible loss of the amount invested as described in detail in the offering memorandum(s) for these instruments which will be available upon request. Investments in foreign currencies involve the additional risk that the foreign currency might lose value against the investor’s reference currency. Investors should understand these risks before reaching any decision with respect to these instruments. The information does not take account of personal circumstances and therefore constitutes merely promotional communication, and not investment advice. Consequently, Investors are advised to take all necessary legal, regulatory and tax advice on the consequences of an investment in the product. Past performance is no indication or guarantee of future performance. The performance shown does not take account of any commissions and costs associated with subscribing to and redeeming shares.

All transactions should be based on the most up-to-date prospectus, the relevant investor information documents and all applicable local offering documents. These documents together with the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the legal representative, the fund manager or Twelve Capital’s regional contact.

J. Safra Sarasin Fund Management (Luxembourg) S.A. and / or its affiliates have not sought to verify any information contained herein and make no representation or warranties as to the accuracy, completeness, or reliability of such information. The latest prospectus, the key investor information document (“KIID”), the articles of incorporation as well as the annual and semi-annual reports are available free of charge from RBC Dexia investor Services S.A., 14, Porte de France, L-4360 Esch-sur-Alzette.

Note to US investors: Neither this information nor any copy thereof may be sent, taken into or distributed in the United States or to any U.S. person (within the meaning of Regulation S under the US Securities Act of 1933, as amended). The products and services described herein may not be offered to or purchased directly or indirectly by US persons.

Twelve Capital AG is licensed as "Manager of collective investment schemes" by the Swiss regulator FINMA. Twelve Capital AG is incorporated in Switzerland, registered number 130.3.015.932-9, registered office: Dufourstrasse 101, 8008 Zurich. Twelve Capital (UK) Limited is incorporated in England & Wales: company number 08685046, registered office: Moss House, 15-16 Brook’s Mews, London, W1K 4DS. Twelve Capital (UK) Limited is authorised and regulated by the UK Financial Conduct Authority and is registered as a commodity pool operator (“CPO”) with the U.S. Commodity Futures Trading Commission (“CFTC”) and is a member of the National Futures Association (the “NFA”) in such capacity. Such registrations and membership in no way implies that the FCA, the CFTC or the NFA have endorsed Twelve Capital (UK) Limited’s qualifications to provide the advisory services described in this document. Twelve Capital (DE) GmbH is authorised and regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) in Germany. Twelve Capital (DE) GmbH is incorporated in Munich, Germany, commercial register number (registry court: Munich) HRB 252423, registered office: Theatinerstrasse 11, 80333 Munich.

© 2022 Twelve Capital. All Rights Reserved