ENSTAR

Sustainability Accounting Standards Board (SASB) Report

FOR THE YEAR ENDED 31 DECEMBER 2023

Realising Value

CONTENTS

INTRODUCTION

Enstar Group Limited ("Enstar" or "EGL") is a leading global insurance group that offers innovative legacy solutions through our network of group companies. Spanning a 30+ year operating history, we acquire and manage run-off insurance and reinsurance liabilities, primarily from other re/insurance companies. We create value by better managing these run-off portfolios and strive to generate attractive risk-adjusted returns from our investment portfolio.

SASB is a non-profit, independent standards-setting organisation that looks to improve efficiency and consistency in environmental, social and governance (ESG) reporting of material issues for various business sectors. The International Sustainability Standards Board (ISSB) develops standards that intends to result in a global baseline of sustainability disclosures focused on the needs of investors and the financial markets. The ISSB builds on the work of multiple investor-focused reporting initiatives, including the industry-based SASB Standards. The following disclosure is aligned with the SASB standards for the insurance industry and includes Enstar and its consolidated re/insurance subsidiaries.

Enstar has reviewed the SASB metrics for the insurance industry and has reported on relevant metrics for Enstar. For this SASB report, Enstar has disclosed in line with the 2018 SASB insurance standard. During 2024, we will continue our work to baseline the Scope 3 emissions associated with our investment portfolio and we will seek to adopt the updated version of the SASB standards in our future reporting. Our financial performance metrics can be found in Enstar's Annual Report on Form 10-K and our quarterly reports on Form 10-Q. Unless otherwise noted, all data and information contained herein is as of 31 December 2023.

This report may include certain forward-looking statements regarding our current views with respect to future events, risks and uncertainties. These statements are intended as "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Actual events and results may differ materially from those set forth in the forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. For a complete description of the risks and factors that could cause actual results to differ from our current expectations, please see our Annual Report on Form 10-K and quarterly reports on Form 10-Q filed with the SEC. Any forward-looking statement you see in this report reflects Enstar's current views with respect to future events and is subject to these and other risks, uncertainties and assumptions.

Unless otherwise specified herein, references in this report to the term 'customer' shall mean those direct counterparties of re/insurance contracts written by Enstar and/or any of its consolidated subsidiaries and shall specifically exclude the underlying policyholders of any insurance arrangement written by unrelated re/insurers who may enter into insurance and/or reinsurance arrangements with us.

TRANSPARENT INFORMATION & FAIR ADVICE FOR CUSTOMERS

FN-IN-270a.1

Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers

Enstar's business model focuses on acquiring and managing re/insurance companies and portfolios of re/insurance business usually already in run-off, typically by either acquisitions or portfolio transfers. We therefore do not routinely market or communicate insurance product-related information.

In accordance with SEC requirements, Enstar discloses all material legal proceedings, other than ordinary routine litigation incidental to business, in its Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. In 2023, legal proceedings and/or losses, if any, associated with marketing and communication of insurance and financial product-related information to new and returning customers were immaterial.

FN-IN-270a.2

Complaints-to-claims ratio

Due to the nature of Enstar's business, most of the claims we manage are by their nature long term, with the settlements being either mutually agreed and/or court awarded. In many instances we take on these liabilities once agreed and manage accordingly. Consequently, we do not expect to receive many consumer complaints and can confirm that we received only a small number of complaints during 2023, as detailed within the analysis below.

The SASB Insurance Standard includes "complaints-to-claims ratio" as an accounting metric. Under the standard, this metric is the ratio of the number of complaints the entity received across all segments and regions during the reporting period, per 1,000 claims that have been filed across all segments and regions during the same reporting year.

This has been calculated for the period 1 January 2023 to 31 December 2023 in accordance with the SASB metric, across all regions and segments. A total of 35 complaints[1] were reported and 131,612 claims opened[2], resulting in a complaints-to-claim ratio of 35:131,612, which equates to 0.27 complaints per 1,000 claims[3].

FN-IN-270a.3

Customer retention rate

Enstar's business model is not built on the acquisition and retention of new direct business; rather it seeks to acquire or reinsure portfolios of business that have been placed into run-off, sourced from other insurance counterparties on a non-recurring, project specific basis. Consequently, we do not track or disclose customer retention rates, as we do not consider this metric appropriate for our business model. Rather, by efficiently settling claims and ensuring claimants are fairly treated and ensuring the liabilities are managed in a way that protects the reputation of the counterparty, we seek to build partnerships that support ongoing business relationships that can generate further transactions.

FN-IN-270a.4

Description of approach to informing customers about products

Enstar does not directly underwrite or indirectly support the underwriting of insurance policies to individual policyholders. We provide capital release solutions, by managing re/insurance companies and portfolios of re/insurance and other liability business that a re/insurer who initially underwrote the risks is usually seeking to exit or put into run-off.

The range of products and services provided is on a business-to-business basis, rather than a business-to-consumer or individual policyholder basis. Due to our position within the industry and our unique offerings, our approach to informing our potential re/insurance counterparties about our capital release solutions does not follow the traditional approach used by direct insurers and, as such, does not fully align with the nature of the disclosures required by this SASB Standard.

In order to acquire new business, we leverage our industry relationships and our position as an experienced run-off specialist, together with our footprint in the major re/insurance hubs. We engage directly with companies and/or their representative brokers to bid for and negotiate new transactions.

We enter into negotiations and deal formations using experienced professionals, who are assisted by legal advisors as required, in order to ensure that the contractual terms of the transaction are fully understood and agreed to by all parties involved.

[1] Complaints breakdown by region; Bermuda: 0, Continental Europe: 1, United States: 4, Australia: 1, and United Kingdom: 29.
[2] The total open claim counts exclude a small number of legacy Bermuda portfolios which are immaterial in size. At 31 December 2023 the Bermuda portfolios had an aggregate of $13.7M of gross outstanding loss reserves and 0 complaints received during 2023.
[3] Our claims calculation methodology has been revised for 2023, taking the Q4 2023 claims figure as our basis for the annual total, removing the possibility of duplication. Under this methodology, the equivalent complaints to claims ratio in 2022 was 56:146,308, which equates to 0.38 complaints per 1,000 claims.

INCORPORATION OF ESG FACTORS IN INVESTMENT MANAGEMENT

FN-IN-410a.1

Total invested assets, by industry and asset class

We define total investable assets as the sum of total investments, cash and cash equivalents and restricted cash and cash equivalents.

The following table summarises the composition of our total investable assets by asset class, as of 31 December 2023:

SASB METRIC	IN MILLIONS OF US DOLLARS
Bonds	9,489
Preferred Stocks	12
Common Stocks	1,454
Mortgage Loans	0
Real Estate	0
Cash and Cash Equivalents	830
Contract Loans	0
Derivatives	0
Other Invested Assets[4]	6,458
Receivable for Securities	0
Securities Lending	0
Total Invested Assets	**18,243**

The following table summarises the composition of our investments in bonds and stocks by industry sector as of 31 December 2023:

SASB METRIC	IN MILLIONS OF US DOLLARS	%
Financials	3,076	28.08%
Funds	939	8.57%
Government	1,027	9.38%
Mortgage Securities	1,715	15.66%
Asset Backed Securities	1,191	10.87%
Consumer, Non-cyclical	767	7.00%
Communications	449	4.10%
Industrial	434	3.96%
Consumer, Cyclical	388	3.54%
Technology	262	2.39%
Energy	217	1.98%
Utilities	379	3.46%
Basic Materials	104	0.95%
Diversified	7	0.06%
Total	**10,955**	**100.00%**

[4] Includes funds held by reinsureds, cash and cash equivalents within our funds held – directly managed portfolios.

INCORPORATION OF ESG FACTORS IN INVESTMENT MANAGEMENT

Due to the nature of Enstar's business, where our major operating insurance subsidiaries and their regulatory domiciles are not only concentrated in the US but are also in Bermuda, UK, Australia and continental Europe, the suggested industry classification by SASB does not fit the reporting of our asset classes mix. We have therefore used the Thomson Reuters Business Classification in presenting our invested industry sectors.

The following table sets forth the credit ratings of our short-term investments and fixed income securities classified as trading and available-for-sale (AFS), as of 31 December 2023:

CREDIT RATING	%
AAA	14%
AA	21%
A	40%
BBB	20%
Non-investment grade	4%
Non-rated	1%
Total	100%
Average credit rating[5]	A+

For further information on our invested assets, please see our Annual Report Form 10-K.

FN-IN-410a.2

Description of approach to incorporation of ESG factors in investment management processes and strategies

Enstar recognises that ESG considerations are increasingly valuable inputs when evaluating global economies, markets, industries and business models. They are important considerations for investment opportunities across all asset classes within public and private markets, and may have an impact on the long-term financial performance of Enstar's investments. In light of this, Enstar includes ESG considerations as part of its Group Investment Policy.

Insurers are subject to numerous regulatory requirements pertaining to both the types and risk concentrations of investments that they are permitted to hold, to ensure they have sufficient liquidity to meet their liabilities.

As a Bermuda-based reinsurer, Enstar is subject to Bermuda Monetary Authority (BMA) supervisory oversight and is subject to the requirements of the Insurance Act 1978 of Bermuda and related regulations (together, the "Insurance Act"). The Insurance Act imposes certain solvency and liquidity standards and auditing and reporting requirements, and grants the BMA powers to supervise, investigate, require information and the production of documents, and intervene in the affairs of insurance companies.

Against the backdrop of this regulatory framework, Enstar has established a Group Investment Policy, which contains responsible investment considerations. In making investment decisions, Enstar's investment department considers ESG factors that Enstar believes are material to long-term returns and levels of risk, while focusing on maximisation of risk-adjusted investment returns. While the materiality of specific ESG factors may vary across strategies, companies, sectors, geographies and asset classes, Enstar recognises the importance of considering ESG risks and opportunities alongside traditional financial criteria. Please see below for further details regarding Enstar's investable assets, manager oversight and management of climate change risks.

INVESTABLE ASSETS

Investable assets were $18.2 billion as of 31 December 2023. Investments consist primarily of investment grade, liquid, fixed income securities of short-to-medium duration, equities, other investments and funds held. Funds held arrangements where we receive the underlying portfolio economics and the contractual right to direct the asset allocation strategies are referred by us as "Funds held - directly managed", and primarily consist of investment grade, liquid, fixed income securities of short-to-medium duration. Funds held arrangements where we receive a fixed crediting rate or other contractually agreed return are referred by us as "Funds held by reinsured companies". Cash and cash equivalents and restricted cash and cash equivalents are comprised mainly of cash, high-grade fixed deposits, and other highly liquid instruments such as commercial paper with maturities of less than three months at the time of acquisition and money market funds.

[5] The average credit rating calculation includes cash and cash equivalents, short-term investments, fixed income securities and the fixed income securities within our funds held - directly managed portfolios.

INCORPORATION OF ESG FACTORS IN INVESTMENT MANAGEMENT

COMPOSITION OF INVESTABLE ASSETS

We manage our investments to obtain attractive, risk-adjusted returns, while maintaining prudent diversification of assets and operating within the constraints of a regulated global re/insurance group. We also consider the liquidity requirements and duration of our claims and contract liabilities when making investment decisions and when managing our investment portfolio.

In pursuing our investment objectives, we typically allocate to assets with varying risk-return profiles that fall into two classifications: core assets and non-core assets. Our core assets, or fixed income assets, include short-term and fixed income securities classified as trading and AFS, funds held and cash equivalents. Our non-core assets, or other investments, include equities and equity method investments. The allocation and composition of our non-core assets may vary, depending on risk appetite, current market conditions and the assessment of relative value between asset classes.

Core Asset Strategy

Our core assets investment portfolio is predominantly invested in investment grade, fixed income securities that are duration and currency optimised and matched against the expected payment of loss reserves in accordance with our contractual obligations with our counterparty insurers and as prescribed in statutory liquidity and solvency regulations. Our goal with these securities is to meet the expected maturity to support prompt payment of the claims, while maximising investment income. Our fixed income securities include US government and agency investments, highly rated sovereign and supranational investments, high-grade corporate investments as well as mortgage-backed and asset-backed investments.

Non-Core Asset Strategy

Our goal with our non-core assets investment portfolio is to provide diversification and increased return. Our non-core assets typically include below-investment grade fixed income securities and bank loans, public equity securities, hedge funds, private equity funds, fixed income funds, collateralised loan obligation (CLO) equities, real estate funds, private credit funds and equity method investments.

MANAGER OVERSIGHT

Enstar primarily follows an outsourced investment model, with the majority of Enstar's investment portfolio managed by external asset managers. Enstar's investment department is responsible for the oversight of our external asset managers, including their approach to ESG factors. Each manager demonstrates how ESG considerations are integrated into the investment decision-making process.

We continue to develop our consideration of ESG-related risks and variables in our investment process. Enstar's investment department has personnel assigned to review and monitor each external manager on an ongoing basis. Since 2022 we have conducted ESG manager assessments, on an annual basis for existing managers and as part of our new manager due diligence process. The results are used as part of our ongoing monitoring of our asset managers and we encourage an open dialogue with them as part of ongoing stewardship.

Enstar's ESG assessment framework evaluates asset managers across: policies and commitments to standards; investment process; governance; communication and reporting; and diversity, equity and inclusion.

Given the various stages of ESG integration amongst market participants including our asset managers, we expect to monitor manager progress towards the integration of ESG principles.

INVESTING SUSTAINABLY

From time to time, Enstar may consider allocating capital to impact and sustainable investments, providing they integrate within the overall portfolio risk/return objectives and liquidity guidelines, while incorporating sufficiently high standards of impact definition, measurement and reporting.

Enstar will continue with its ESG journey and explore and implement ways to increase the positive social and environmental impact of the investment activities carried out on our behalf. More detail on this can be found in our 2023 ESG Report.

CLIMATE CHANGE

Please see Enstar Group's TCFD report for information regarding climate change scenario analysis, assessment of climate change risks, and setting a risk appetite.

POLICIES DESIGNED TO INCENTIVIZE RESPONSIBLE BEHAVIOR

FN-IN-410b.1

Net premiums written related to energy efficiency and low carbon technology

Enstar's business strategy, as outlined within the "Business" section in our Annual Report on Form 10-K for the fiscal year ended 31 December 2023, focuses on the acquisition and reinsuring of legacy underwriting portfolios written in prior underwriting years by other insurers. Although these legacy liabilities include multiple exposures, our biggest exposures at 31 December 2023 comprised asbestos and environmental, workers' compensation, general casualty and professional indemnity/directors and officers. Enstar does not actively underwrite new liabilities and consequently cannot proactively target new lines of business related to energy efficiency or low carbon technology; rather, we can only apply our standard due diligence procedures on portfolios of legacy risks that are brought to market.

FN-IN-410b.2

Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors

By acquiring legacy liabilities, Enstar does not have the ability to include new contractual terms and conditions within the original insurance contract that could specifically incentivise health, safety and/or environmental responsibility.

PHYSICAL RISK EXPOSURE

FN-IN-450a.1

Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes

This metric is inapplicable given the run-off nature of our business model and the acquisition of historical liabilities.

RUN-OFF SEGMENT

StarStone Insurance SE, a wholly owned subsidiary of Enstar, continues to carry a very limited number of in-force policies that may be impacted by severe weather-related natural peril catastrophe events. These policies are primarily associated with circa 47 Onshore Construction projects, with no new policies underwritten after 2020. Collectively, these exposures are de minimis and have decreased significantly relative to the prior year. Bar policy extensions only executed if allowed under contractual terms and if exercised by the client, all in-force policies will expire by 2031. Such policies are monitored in line with Enstar's core strategy to efficiently manage run-off claims in a professional and disciplined manner, and to comply with any climate-change related regulatory requests.

FN-IN-450a.2

Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)

This metric has been amended to report the total amount of monetary losses for non-modelled natural catastrophes on a material/immaterial basis, inclusive of all event types and geographic segments.

As discussed in FN-IN-450a.1, residual exposures to weather-related natural catastrophes are primarily limited to multi-year contracts previously written by StarStone International. Other exposures occasionally arise through the acquisition of legacy portfolios that contain very limited in-force risks which are not renewed and are run off. In 2023 there were no material incurred losses arising from weather perils from our in-force portfolio.

Given the run-off nature of Enstar's business model and its de minimis exposure to weather-related natural catastrophes, it does not maintain catastrophe modelling capabilities; however, commensurate to the risk, these exposures are closely monitored as the policies are run off.

FN-IN-450a.3

Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy

Enstar does not write live risks (unless as otherwise noted in FN-IN-450a.1) nor actively purchase reinsurance for environmental risks. However, by virtue of our M&A transactions, we retain and manage legacy risks (including retained reinsurance) as part of our run-off business model. Consequently, our approach differs to that of an active re/insurer of environmental risks. We mostly rely on data capabilities and monitoring of policy-level risks by our cedants to gather information that is used to manage any environmental risk exposures. Given our run-off business strategy, we do not anticipate environmental risks being retained on our books past the policy maturity date, bar contractual policy extensions that the policy holder elects to renew; all in-force policies are due to expire over the medium term (<2031).

Environmental (including climate change) considerations are embedded within Enstar's ERM Framework and related policies, to ensure risk factors are identified, assessed, quantified and monitored as part of the risk management process. Stress and scenario testing conducted in 2023 indicated that the anticipated impact of climate change scenario outcomes on Enstar's portfolios continues to be low. Please see Enstar Group's TCFD report for information regarding climate change scenario analysis, assessment of climate change risks and setting a risk appetite.

Where applicable, we actively monitor and utilise reinsurance programmes acquired with the legacy liabilities to reduce our net exposures. We also utilise stress testing and scenarios to analyse the impact of financial risks (assets and liabilities) related to environmental risks such as climate change as part of our own solvency assessment exercise for the Group and related subsidiaries across business segments. A contingency plan for capital planning is maintained to determine appropriate management actions, based on the forecasted solvency position.

Please refer to Enstar Group's annual ESG and TCFD reports for further discussion of how we manage environmental and other enterprise-level risks, including those relating to investments.

SYSTEMIC RISK MANAGEMENT

FN-IN-550a.1

Exposure to derivative instruments by category: (1) total potential exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives

We utilise derivatives in normal course for risk mitigation and hedging purposes. We consider our net exposure to be immaterial as of 31 December 2023.

FN-IN-550a.2

Total fair value of securities lending collateral assets

As of 31 December 2023, Enstar did not have securities lending collateral assets.

FN-IN-550a.3

Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities

This metric is inapplicable as Enstar does not engage in any systemic non-insurance activities that are defined as investment and funding, or other capital market activities that result in maturity or liquidity transformation, leverage or imperfect transfer of credit risk such as repurchase agreements and securities lending, or the writing of derivatives contracts that are not used to hedge risk or do not closely match the underlying exposure.

FN-IN-000.A

Number of policies in force, by segment

1. Property and casualty

Enstar has determined that the live policy count will be based on the total of the Line of Business values. Please see the table below for further information.

2. Life

This is inapplicable – in 2022 Enhanzed Reinsurance Ltd. a fully-owned subsidiary of Enstar, novated its life portfolio, comprising in-payment annuities, deferred annuities and a small amount of whole of life benefit, to a third party. As a result of reporting the results of Enhanzed Reinsurance Ltd. on a one-quarter lag, the financial impact of the novation was recognised in our first quarter 2023 results.

3. Assumed reinsurance

Enstar's business focuses on legacy liabilities; our largest exposures as of 31 December 2023 include asbestos and environmental, workers' compensation, general casualty and professional indemnity/directors and officers. Consequently, the areas of business highlighted by SASB do not align with the classes of business supported by Enstar and therefore, a slightly different segmentation of risk types has been presented, to better explain the portfolio mix and provide a greater degree of transparency. We produced a policy listing from our live policy administration system with an in-force date of 31 December 2023, and undertook analysis of each policy in order to select the appropriate risk type.

Live Policy Count by Line of Business

ENTITY	TOTAL	CONSTRUCTION (ONSHORE & OFFSHORE)	POLITICAL RISKS & CRISIS MANAGEMENT	CASUALTY	MARINE	NON-MARINE (ALL OTHER CLASSES)
Enstar (EU)	154	0	83	5	4	62
StarStone	267	170	49	8	6	34