



Canada Pension Plan Investment Board Signs Agreement to Acquire Ascot Underwriting Holdings Ltd.

TORONTO, ON, CANADA (September 16, 2016): Canada Pension Plan Investment Board (CPPIB) announced today that it, together with the management of Ascot, has signed an agreement with American International Group (AIG), to acquire 100% of Ascot, AIG's Lloyd's platform, for a total consideration of US\$1.1 billion. The transaction involves the acquisition of Ascot Underwriting Ltd. (Ascot) and Ascot Corporate Name Ltd., as a capital provider for Syndicate 1414 at Lloyd's, and is subject to customary regulatory approvals and closing conditions.

Based in London, England, Ascot is a Lloyd's of London syndicate and a global specialty insurance underwriter. Ascot operates globally, with expertise spanning multiple lines of businesses including Property, Energy, Cargo, Terrorism and Political Risk, Marine Hull and Liability, Casualty, Renewable Energy, Excess of Loss, Reinsurance, and Specie and Fine Art. Ascot is well respected within the Lloyd's market for its ability to underwrite complex and critical risks, with many of its underwriters recognized as experts in their respective classes of business. Lloyd's is the oldest and most prominent marketplace for specialty risk. CPPIB expects to pursue mutually beneficial business opportunities with AIG through Ascot moving forward as we seek to build on the collaborative relationship developed through this transaction.

"This acquisition represents another important step in our strategy to achieve scale in targeted sub-sectors within financial services through long-term platform investments. We have studied the global property and casualty insurance sector for several years and specifically identified Ascot as an ideal platform through which CPPIB can access diverse global insurance premiums at scale," said Ryan Selwood, Managing Director, Head of Direct Private Equity, CPPIB. "Ascot's proven track record of superior underwriting performance through pricing cycles, standing in the Lloyd's specialist insurance market and highly experienced management team, provides CPPIB with turn-key access to an asset class that is well-suited to our long-term horizon."

Upon closing, Ascot will continue to operate as a stand-alone, independent business governed by its own board of directors and will retain its entire senior management team and approximately 194 employees responsible for its long-term success, led by its CEO, Andrew Brooks.

"Ascot is thrilled to be entering into a strategic partnership with CPPIB that will have at its core a common philosophy, understanding and long-term vision, and which will enable Ascot to position the business in a way that will significantly enhance the services that it can offer to both its clients and brokers," said Andrew Brooks, Ascot's CEO. "CPPIB ownership and their depth of capital resources will allow Ascot to move to the next stage in its development and to deliver a business plan for profitable growth over the long term with strongly aligned goals and objectives. Ascot is excited about the future opportunities that CPPIB's ownership and capital strength will bring."

CPPIB continues to expand its global platform strategy, which leverages our comparative advantages of a long-term focus and access to capital at scale. As a AAA-rated long-term investor, our approach emphasizes creating enduring partnerships with proven management teams and we form these

partnerships with the goal of generating attractive risk-adjusted returns through business cycles. In Ascot, CPPIB is acquiring a best-in-class global platform in the property & casualty insurance sector, which will provide durable cash yield and an attractive scalable investment for the Fund.

About Canada Pension Plan Investment Board

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits on behalf of 19 million contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York City and São Paulo, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At June 30, 2016, the CPP Fund totalled C\$287.3 billion. For more information about CPPIB, please visit www.cppib.com or follow us on [LinkedIn](#) or [Twitter](#).

About Ascot Underwriting

Ascot Underwriting Ltd. is a global specialty (re)insurer writing insurance and reinsurance business in Property, Energy, Specie & Fine Art, Cargo, Terrorism & Political Risk, Marine Hull, Marine Liabilities, Renewable Energy, Casualty, Personal Accident, and Excess of Loss Reinsurance. Ascot leads in most of these classes and leads over 40% of the slips it writes. Operating within the Lloyd's market (Syndicate 1414), Ascot enjoys the credit ratings assigned to Lloyd's: A+ (Strong) from S&P, AA- (Very Strong) from Fitch, and A (Excellent) from A.M. Best. Based in London, Ascot also has offices in Houston, New York, Dallas, Chicago, and Singapore.

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