

Sophisticated Investment Solutions for Insurance Companies



Trusted Advice in a Complex Environment

An insurer's investment program plays a central role in supporting the company's ability to pay claims and strengthen its competitive position. But the portfolio does not operate in a vacuum. Insurance CIOs must navigate market uncertainty while aligning the portfolio with the company's liabilities and risk management strategy as well as the industry's complex regulatory and accounting standards.

Insurance companies have worked with Graystone Consulting to develop highly customized investment strategies that are optimized for the complex, dynamic considerations they face. Insurers count on our knowledge of their regulatory environment and our high-touch service that leverages Morgan Stanley's investment platform and capital markets expertise.

Our Insurance Experience

\$18B+
AUM¹





Our Insurance Clients

Life

Health

Reinsurance

Self-insured/captive

Risk Retention Groups (RRGs)



Our Approach

Dedicated team of expert insurance specialists

Engagements led by senior consultants

Boutique service backed by Morgan Stanley's global resources

Deep understanding of the issues and considerations insurance companies face

Sophisticated investment solutions provide a tailored investment roadmap for each client

60+
clients¹

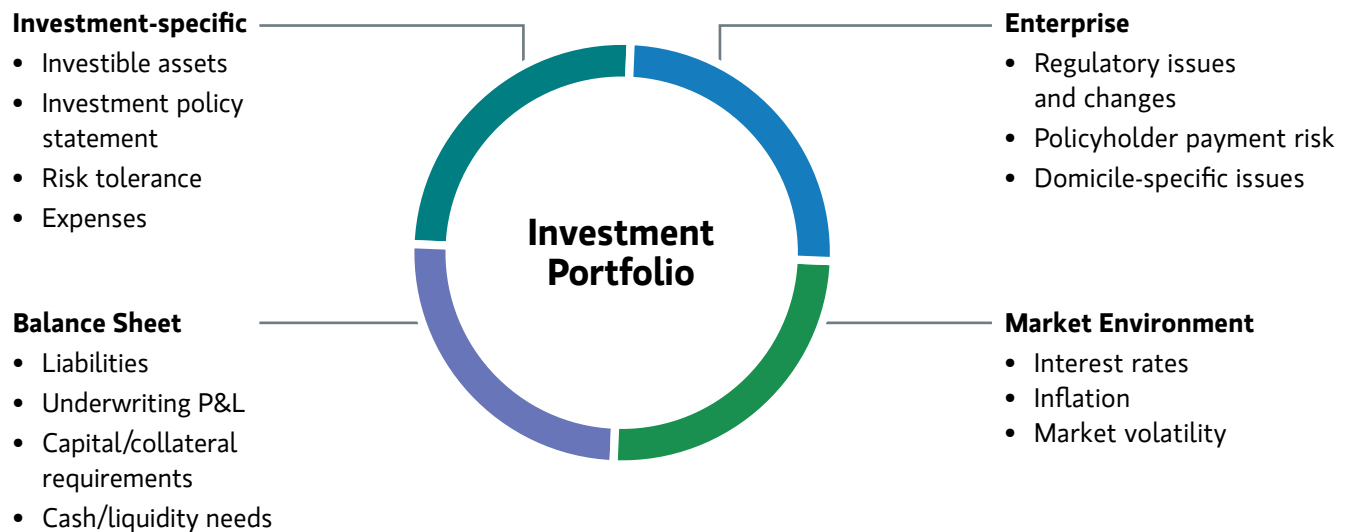


Empowering Growth with a Holistic Approach to Portfolio Management

Investment portfolios at insurance companies must account for a complex set of constraints and interdependencies. Through our holistic approach to portfolio construction, we craft portfolios that align with the company's risk management philosophy and growth strategy while navigating the ever-changing set of accounting constraints and regulatory requirements.



An Insurer's Investment Portfolio Must Account for a Diverse Set of Constraints and Inputs



Navigating the Nuances of Our Clients' Markets

Designing and maintaining an effective investment program requires extensive knowledge of the accounting requirements and market dynamics that vary across lines of insurance, regions and structures. Our consultants have deep experience with the nuances of the specific markets and regulatory regimes in which our clients operate.



Domestic vs. offshore companies: We help clients navigate how their investment portfolio can be affected by different regulations, taxes, investment vehicles, corporate structures and other factors that are domicile-dependent.



Companies with credit ratings: For companies facing Risk-Based Capital (RBC) or Solvency II regulations, we bring our knowledge of how different investments can impact capital ratios and other solvency metrics.



Companies with no credit ratings: We help manage non-rated insurers' investment portfolios to fit their collateral and liquidity needs, while aligning with each company's liabilities and growth strategy.



Risk Management: Powered by BlackRock's Aladdin technology, Morgan Stanley's Portfolio Risk Platform provides investment consultants with access to detailed analytics and reporting, including stress scenarios and the ability to model potential changes to a client's portfolio.



Sophisticated, Customized Investment Solutions from a Global Leader

Each insurance company requires a unique investment solution, so we tailor all our engagements to our client's objectives and internal resources. Our services range from traditional, project-oriented consulting to a fully discretionary outsourced CIO approach that leverages our full suite of capabilities.

Full Suite of Capabilities

- 1** Investment policy statement development and review

- 2** Asset allocation — strategic and tactical

- 3** Manager due diligence, selection and replacement

- 4** Portfolio construction and implementation

- 5** Risk management

- 6** Portfolio monitoring and performance reporting



Leveraging Extensive Manager Relationships and Research

Graystone's insurance clients have access to the broad offerings of one of the industry's leading investment platforms at Morgan Stanley. Fueled by this robust manager platform and analyst team, we can identify, research and monitor best-in-class investment managers for our clients' portfolios.



~75

Analysts dedicated to manager analysis³



4,400+

Strategies monitored per year⁴



~400

Investment manager relationships³



Accessing One of the Industry's Largest Alternatives Platforms

Harnessing the diversified risk factors and return streams of alternative asset classes requires access to top-tier managers and a sophisticated approach to liquidity management and portfolio construction. We offer an array of private markets and other alternative strategies with top managers through the Morgan Stanley investment platform, and we have extensive experience integrating alternatives into insurance portfolios while accounting for liquidity and collateral constraints.

Morgan Stanley Alternatives Capabilities

45+

year history

\$165B

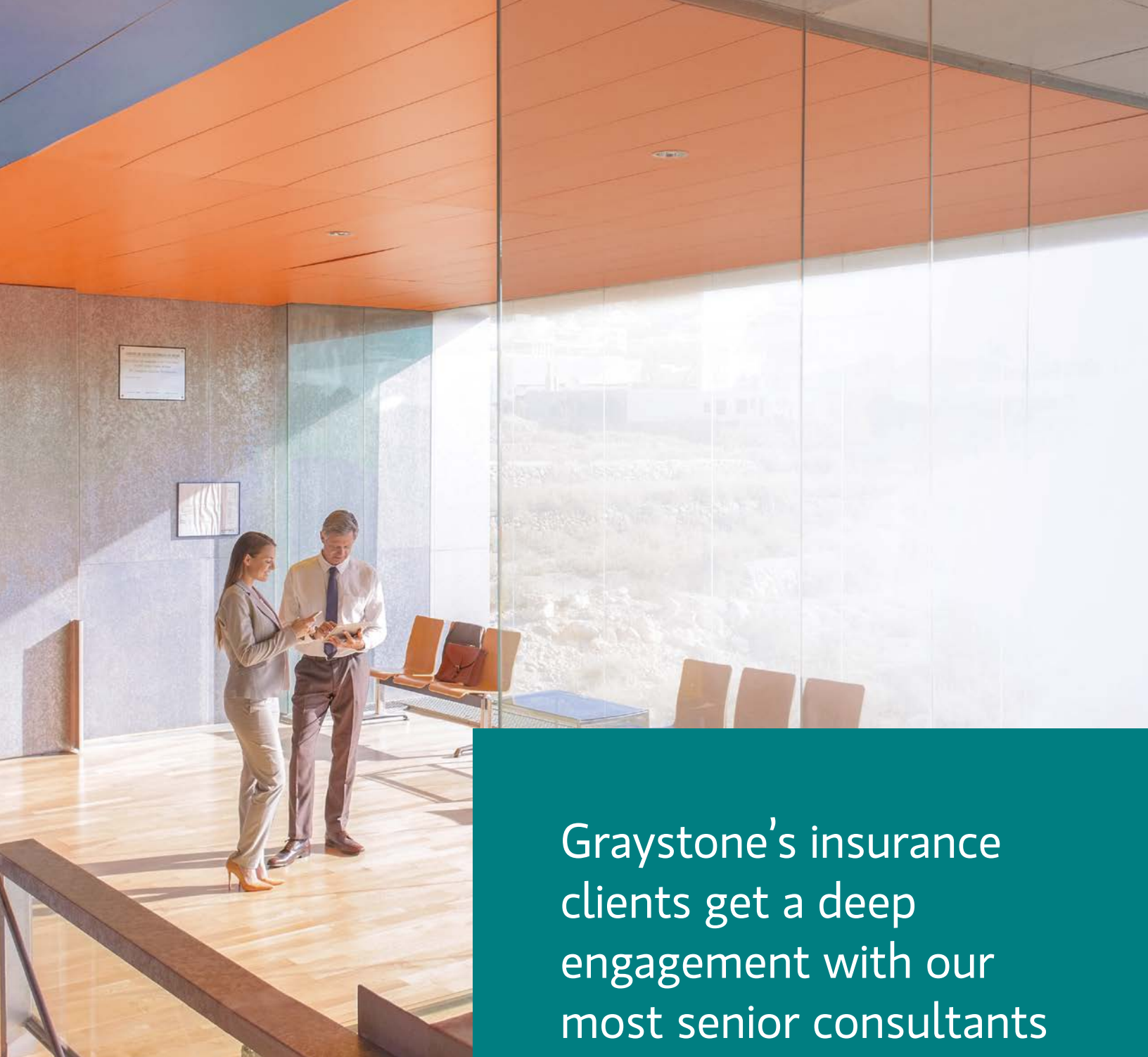
in client assets
under management⁵

200+

alternative investment
funds available⁵

~75%

of new offerings are first
look or exclusive fund⁶



Graystone's insurance clients get a deep engagement with our most senior consultants for the lifetime of the relationship.

The Graystone Consulting Advantage

Guiding clients through complexity

Graystone's insurance clients get a deep engagement with our most senior consultants for the lifetime of the relationship. Together, we develop customized, innovative and flexible solutions to help clients meet their most sophisticated financial needs, while building long-term partnerships based on trust.

Independent and objective fiduciary partner

Our extensive open architecture investment platform empowers us to deliver objective, unbiased advice and maintain complete fiduciary independence. We work solely in our clients' interests to help create lasting financial security for their organizations.

Boutique service on a global scale

Graystone combines the fresh thinking, nimbleness and spirit of a modern consulting boutique with the deep knowledge of Morgan Stanley. Our consultants are experienced insurance company advisors who understand the industry's unique challenges and develop innovative strategies to navigate emerging dynamics.

Connected to Morgan Stanley resources

We put the financial resources of Morgan Stanley's vast research network to work for our clients. With an enterprise mindset that goes beyond asset management, Graystone draws from the investment banking and capital markets expertise of Morgan Stanley.

Global Resources with Local Expertise

At Graystone Consulting, we combine local expertise and global resources to help insurance companies make informed, confident investment decisions.



\$614.2
BILLION

in total institutional
assets under management¹



50+
YEARS

of experience advising
institutional clients



280+
CONSULTANTS

serving institutional
clients²



Let's Talk

We look forward to starting the conversation on how we can help.

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¹ As of December 31, 2023. Mandates include all Assets Under Management and Assets Under Advisement.

² As of December 31, 2023.

³ As of June 2023. Source Global Investment Manager Analysis (GIMA).

⁴ Global Investment Manager Analysis (GIMA), October 2023 Investments and services offered through Morgan Stanley Smith Barney LLC. When Morgan Stanley Smith Barney LLC, its affiliates and Morgan Stanley Financial Advisors and Private Wealth Advisors (collectively, "Morgan Stanley") provide "investment advice" regarding a retirement or welfare benefit plan account, an individual retirement account or a Coverdell education savings account ("Retirement Account"), Morgan Stanley is a "fiduciary" as those terms are defined under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and/or the Internal Revenue Code of 1986 (the "Code"), as applicable. When Morgan Stanley provides investment education, takes orders on an unsolicited basis or otherwise does not provide "investment advice", Morgan Stanley will not be considered a "fiduciary" under ERISA and/or the Code. For more information regarding Morgan Stanley's role with respect to a Retirement Account, please visit www.morganstanley.com/disclosures/dol. Tax laws are complex and subject to change. Morgan Stanley does not provide tax or legal advice. Individuals are encouraged to consult their tax and legal advisors (a) before establishing a Retirement Account, and (b) regarding any potential tax, ERISA and related consequences of any investments or other transactions made with respect to a Retirement Account Investments Group.

⁵ As of June 30, 2023. Source Morgan Stanley Wealth Management Alternative Investments Group.

⁶ Morgan Stanley Wealth Management Alternative Investments Group. As of June 30, 2023. Includes offerings available broadly on the platform.

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Environmental, Social and Governance ("ESG") investments in a portfolio may experience performance that is lower or higher than a portfolio not employing such practices. Portfolios with ESG restrictions and strategies as well as ESG investments may not be able to take advantage of the same opportunities or market trends as portfolios where ESG criteria is not applied. There are inconsistent ESG definitions and criteria within the industry, as well as multiple ESG ratings providers that provide ESG ratings of the same subject companies and/or securities that vary among the providers. Certain issuers of investments may have differing and inconsistent views concerning ESG criteria where the ESG claims made in offering documents or other literature may overstate ESG impact. ESG designations are as of the date

of this material, and no assurance is provided that the underlying assets have maintained or will maintain and such designation or any stated ESG compliance. As a result, it is difficult to compare ESG investment products or to evaluate an ESG investment product in comparison to one that does not focus on ESG. Investors should also independently consider whether the ESG investment product meets their own ESG objectives or criteria.

There is no assurance that an ESG investing strategy or techniques employed will be successful. Past performance is not a guarantee or a dependable measure of future results.

Alternative investments often are speculative and include a high degree of risk.

Investors could lose all or a substantial amount of their investment. Alternative investments are appropriate only for eligible, long-term investors who are willing to forgo liquidity and put capital at risk for an indefinite period of time. They may be highly illiquid and can engage in leverage and other speculative practices that may increase the volatility and risk of loss. Alternative Investments typically have higher fees than traditional investments. Investors should carefully review and consider potential risks before investing.

The returns on a portfolio consisting primarily of sustainable investments may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because sustainability criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria.

Diversification does not guarantee a profit or protect against loss in a declining financial market.

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As a business unit of Morgan Stanley, which is a registered investment adviser under the Investment Advisers Act of 1940, Graystone provides discretionary investment advisory and consulting services pursuant to its Institutional Services

Agreement, Graystone will also acknowledge that it is a fiduciary pursuant to Section 3(21) and Section 3(38) of ERISA as applicable. Part 1 of our Form ADV can be found on the SEC's website (<http://www.adviserinfo.sec.gov/>) alongside our most recent ADV Program Brochure.

Morgan Stanley Smith Barney LLC ("Morgan Stanley"), its affiliates and Morgan Stanley Financial Advisors and Private Wealth Advisors do not provide tax or legal advice.

Clients should consult their tax advisor for matters involving taxation and tax planning and their attorney for matters involving trust and estate planning, charitable giving, philanthropic planning and other legal matters.

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