

OSFI B-15

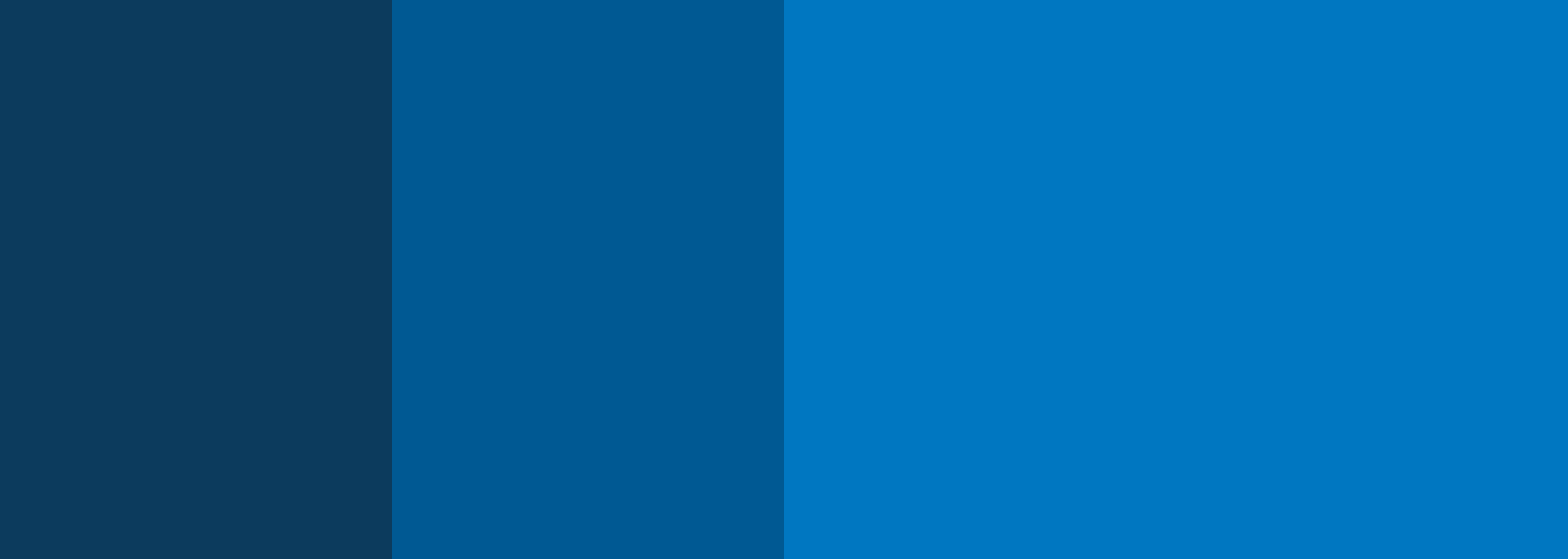
Climate Risk Management Report

2026



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About this report

For the purposes of this OSFI B15 Climate Risk Management Report, references to “the Company” or “Assurant” refers to Assurant, Inc. and its controlled affiliates at the enterprise level, unless otherwise specified. This disclosure is prepared for the Canadian branches of American Bankers Insurance Company of Florida (“ABIC”) and American Bankers Life Assurance Company of Florida (“ABLAC”) (together, the “Branches”). The Branches are subject to the Insurance Companies Act and are federally regulated insurance operations in Canada. Unless otherwise specified, references to the “Canadian Federally Regulated Financial Institutions (FRFI)” or “FRFI” refer to the Branches.

This report contains forward-looking statements, including statements regarding our environmental goals, targets, and initiatives, which are based on current expectations, estimates, and assumptions. Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied, including changes in regulations, market conditions, technology, and other factors beyond our control. We undertake no obligation to update these statements except as required by applicable law.

Climate-Related Financial Disclosure Expectations

Governance

Governing Bodies

The Branches are managed by a Chief Agent, who oversees the implementation of the Branches' risk management policies and practices, including the Branches' risk appetite and the identification, assessment, monitoring, and reporting of key risks, including climate-related risks and opportunities. The Branches' risk management policies and practices are developed in collaboration with Assurant's Board of Directors (Board) and its various committees, which oversee the Company's enterprise risk management framework, including climate-related risks, and discuss risk-related issues at least quarterly.

Branch

The Board reviews management's assessment of the Company's key enterprise risks, including climate-related risks, and receives corresponding risk management updates, including management's strategy with respect to each risk. The Nominating and Corporate Governance (NCG) Committee coordinates Board and committee oversight of key enterprise risks.

The Branch Chief Risk Officer (CRO) is a member of the Assurant Global Risk Management (GRM) team, reporting indirectly

to the Chief Agent, further ensuring the Branches' risk management is in alignment with the Company's overall risk strategy and policies.

Assurant

The Board and its committees receive updates from management on specific risks throughout the year, including climate-related risks, and each committee chair reports significant risk updates at least quarterly to the full Board so that the Board has the benefit of the committee's specific areas of risk oversight.

The Audit Committee reviews the Company's policies with respect to risk assessment and risk management and coordinates with the Finance and Risk (F&R) Committee with respect to Board oversight of risk management and global risk management activities.

The Audit Committee also focuses on risks relating to financial statements, internal control over financial reporting, disclosures, and compliance with legal and regulatory requirements. The F&R Committee has primary oversight responsibility for the GRM function and corresponding risk activities, and receives risk management reports at least quarterly from the Company's CRO who

reports to the Chief Strategy & Transformation Officer (CSTO) that include the identification, assessment, reporting, and mitigation of existing and emerging key enterprise risks. The F&R Committee also focuses on risks relating to investments, capital management, and catastrophe reinsurance. The NCG has ultimate oversight responsibility for how the Company manages sustainability, and the CRO and Chief Marketing and Communications Officer provide regular updates to the NCG. In fulfilling its responsibilities, the Board and each committee have the authority to retain external advisors.

Assurant's longer-term strategic planning process, overseen by its Board, prioritized climate as a multi-year sustainability area of focus, including minimizing Assurant's carbon footprint, enhance sustainability, and mitigate climate-related risks. In 2022, Assurant developed and announced a near-term greenhouse gas (GHG) emissions reduction target of 40% across Scope 1 and 2 by 2030 from a 2021 baseline. The science-based target setting methodology, as well as a summary of key levers expected to achieve the target, was reviewed with the NCG in 2022, and progress toward the goal is reviewed with the Board. In 2023, Assurant reviewed the results of its updated sustainability prioritization assessment with the NCG, which identified climate as a high-priority topic for the enterprise. In 2024, Assurant introduced its new Sustainability Vision, informed by engagement with the Board, Management Committee, and other stakeholders, which places a strategic focus on a protected planet.

Assurant's Board, Management Committee, and employees understand the importance of sustainability to support the successful execution of its long-term strategy.

Monitoring and Oversight

Branch

The Branches are managed by a Chief Agent. The Chief Agent is responsible for monitoring, managing, and overseeing climate-related risks and opportunities for the Branches, including overseeing the implementation of the Branches' risk management policies and practices consistent with Assurant's enterprise risk management framework.

Assurant

At the enterprise level, Assurant's CSTO and Chief Financial Officer (CFO), who each report directly to Assurant's President and CEO, oversee functions responsible for climate-related actions, policies, and risk mitigation and management. Specifically, Assurant's Chief Marketing and Communications Officer, in collaboration with the CSTO, oversees non-CAT climate-related risk from a management perspective.

At the enterprise level, overall risk management is the responsibility of the CRO, who leads the GRM function that coordinates Assurant's risk management activities. The Company's risk management framework cascades downward into the enterprise through various management committees. The risk governance structure is headed by the management-level Enterprise Risk Committee

(ERC), comprised of the President and CEO, the CFO, the CRO, members of the Management Committee, as well as the Treasurer, the Chief Internal Auditor, and the Global Ethics and Compliance Officer. The ERC reviews Assurant's key enterprise risks, the alignment to Assurant's risk appetite, and the mitigation and remediation plans for these risks. The Chief Agent oversees the implementation of applicable risk management policies and controls for the Branches, including climate-related risk management processes, and escalates relevant matters through established reporting channels aligned to the Company's governance and oversight structure.

Climate-related issues inherent in Assurant's property insurance writings are monitored by the management-level Reinsurance Risk Committee (RRC), which reports to the management-level ERC, and subsequently the F&R Committee of the Board. Quarterly updates from the CRO to the F&R Committee include climate-related risk as appropriate, including relating to catastrophe and reinsurance.

The Company President and CEO, together with its CSTO and Chief Marketing and Communications Officer, set the strategic direction of sustainability-related matters, including climate related issues, in collaboration with the Management Committee as well as other leaders and subject matter experts. To identify and prioritize key sustainability matters for integration into the sustainability strategy, a cross-section of leaders representing sustainability, investor

relations, risk management, finance, supply chain, product, facilities, legal, business operations, customer experience, and the people organization are engaged to monitor and assess climate-related issues that are relevant to Assurant through the Sustainability Committee described below.

In 2022, Assurant enhanced its climate-related governance process and finalized its Sustainability Oversight and Action Committee (Sustainability Committee), which is comprised of select Management Committee members and senior management across key functional areas to provide oversight of the Company's business-aligned sustainability strategy.

The Sustainability Committee fulfills its responsibilities by (i) providing the relevant sustainability oversight required to identify, develop, and set business-aligned sustainability strategy for long-term value creation; (ii) establishing the enterprise sustainability position and view for sustainability policy, standards, requirements, disclosures, and mandates; (iii) providing recommendation and approval for enterprise sustainability initiatives that advance Assurant's sustainability strategy; and (iv) supporting the integration of enterprise-wide sustainability strategy throughout the organization.

In 2022, Assurant leveraged the Sustainability Committee to develop and approve its 40% Scope 1 and 2 GHG target and its enterprise Climate Action Policy. In 2023, Assurant completed a refreshed impact-based Sustainability prioritization assessment.

Aligned with the concept of double materiality¹, which considers financially material topics that influence enterprise value as well as other topics that impact the economy, environment, and people, this assessment was used to identify, assess, and prioritize the sustainability topics that most impact Assurant's value, society, and the environment. The results, which were validated by the Sustainability Committee, reaffirmed that Assurant's sustainability reporting areas are in line with evolving reporting standards and requirements, and identified climate as a high-priority topic. In 2024, Assurant introduced its new Sustainability Vision, informed by engagement with the Board, Management Committee, and other stakeholders, which places a strategic focus on a protected planet.

¹ Sustainability disclosures may use different definitions of materiality than those used for financial statement disclosures, including "double materiality" which can evaluate a sustainability matter as material, regardless of its direct effect on Assurant, based on the broader societal impact of the matter.

Strategy

Risks and Opportunities

Branch

The Branches align with Assurant’s enterprise definitions when identifying and assessing climate-related risks and opportunities. In 2024 Assurant Canada began evaluating Climate Risk, as well, but Climate Risk is not expected to be a material risk for Assurant Canada.

Assurant

Assurant defines a substantive financial or strategic impact as one that would have a nontrivial impact on its business and the delivery of its strategic objectives or financial condition, results of operations, and cash flows. In assessing whether an impact is a substantive impact, the Company considers both quantifiable financial indicators, such as impact to annual EBITDA, net losses, capital

position, and non-financial criteria, including potential impact to its customers, business partners, regulators, and investors, and the likelihood of such impacts across different time horizons. The magnitude of the impact considered will vary depending on the affected business line and geography.

Assurant faces climate-related risks and opportunities across its business activities, which include its catastrophe-exposed and non-catastrophe-exposed insurance portfolios, investment activities as an asset owner, and within its own operations, including its supply chain. Key climate-related risks facing the Branches span both transition and physical risks, including:

Driver	Value Chain	Risk Description	Time Horizon
Physical Risk			
Acute	Insurance underwriting portfolio	Insurance operations expose Assurant to claims arising from weather-related catastrophes. Changing weather patterns and climate change have increased the unpredictability, frequency, and severity of weather-related events, such as wildfires, hurricanes, floods, and tornadoes, particularly in coastal areas, and may result in increased claims and higher catastrophe losses, which could have a material adverse effect on the Company’s results of operations and financial condition. The Branch’s underwriting risks are not directly affected by climate change; therefore, no climate change adverse scenario is constructed.	Long-term

Driver	Value Chain	Risk Description	Time Horizon
Transition Risk			
Policy and Legal	Insurance underwriting portfolio	In its automotive business in Canada, the Branches provide coverage against vehicle mechanical and electrical breakdown. In Canada, there is a policy and regulatory drive away from internal combustion engines (ICE) and towards low- or zero-emission vehicles, alternative transportation fuels, and micro-mobility solutions. These changes may, over time, limit and eventually end the production, resale, and use of ICE vehicles and therefore the market for the Branches' automotive products. In addition, as the Canadian market transitions to electric and alternative fuel vehicles, there are still uncertainties regarding how this transition may affect the Branches' EV-related products, including potential impacts to claims, attachment rates, and sales practices.	Long-term
Reputation	Direct operations	The dynamic political, market, and societal sentiment towards climate and sustainability considerations are increasing pressure on firms to balance the expectations of investors, employees, clients, prospects, and other external stakeholders from different markets to measure, disclose, and act on climate risk and broader sustainability considerations, or conversely to rescind or weaken climate-related actions. Failure by Assurant and the Branches to execute strategies that meet diverging stakeholder expectations may lead to reputational damage, exposure to regulatory prosecution, or civil litigation.	Short-term
Physical Opportunities			
Products and Services	Insurance underwriting portfolio	The Branches have the opportunity to support the transition to a lower-carbon, more resilient, and sustainable economy in Canada through expanded service offerings and thought partnership with clients, industry associations, and regulators. This includes providing more sustainable services and coverage options to clients and end-consumers that are financially attractive and aligned with the Branches' existing strategy. The transition from internal combustion engine vehicles to low- and zero-emission vehicles is an opportunity for the Branches to develop new and innovative products to support that transition and to pursue new revenue opportunities in the Canadian market.	Short-term
Products and Services	Insurance underwriting portfolio	There are significant strategic, financial, and reputational benefits, particularly from a client perspective, if the Branches are seen as enabling resource efficiency, sustainable consumption, and innovative circular economy processes in the Canadian market. This is particularly relevant where the Branches support services associated with mobile device protection and refurbishment offerings in Canada (including trade-in programs and extending device lifecycles). The Branches' role in the refurbishment and insurance ecosystem in Canada, together with business partners, could help reduce e-waste and related environmental impacts (e.g., reduced extraction of raw minerals) through the promotion of more sustainable consumption patterns, the extended life of consumer products, and the continued development of mobile device refurbishment services and processes.	Short-term

The Branches categorize climate-related risks and opportunities according to the following planning horizons:

- ShortTerm: 0–3 years, aligned with business planning cycles
- MediumTerm: 4–9 years, aligned with asset economic lives and investment duration
- LongTerm: 10–50 years, aligned with the longest of asset economic lives

Impacts of Climate Change on Business Model, Strategy, and Financial Performance

Assurant believes considering and incorporating climate-related risks and opportunities into its business strategy has a direct impact on the Company's financial performance. Assurant integrates several strategies into its business approach to mitigate these risks and seize opportunities, including:

Assurant's longer-term growth strategy is focused on growing business where it can maintain or reach market-leading positions.

In the Branches Automotive business, it continues to offer Assurant EV One ProtectionSM, an electric vehicle (EV) and hybrid vehicle-specific protection product available in 12 countries worldwide, which includes Canada. Assurant's EV One ProtectionSM meets the growing needs of EV owners with expanded benefits, including increased battery health transparency and greater protection and value. The Branches are well-positioned with its dealership clients and growing dealer and third-party administrator networks to serve the expanding EV market in Canada as consumers look to minimize their carbon footprint.

The Branches' investments are supported by Assurant's portfolio management professionals and, as applicable, third-party asset managers. In managing these portfolios, they consider, where applicable, factors that may influence investment risk, including but not limited to sustainability-related topics, with the objective of maximizing long-term financial value for the Company and, by extension, the Branches. Assurant's Responsible Investing Commitment is located here: [Assurant Responsible Investment Commitment](#).

Risk Management

Branch

The Branches are part of Assurant's enterprise risk management framework for climate-related risks and opportunities. The Branches adopt and apply the relevant risk management policies, processes, controls, and governance practices established at the enterprise level, as appropriate to the Branches' Canadian businesses, products, and operations.

Assurant

Climate-related risk identification is integrated into multidisciplinary, Company-wide risk identification, assessment, and management processes, which incorporate Assurant's enterprise risk management framework, governance structure, risk appetite framework and limits, key risk themes, risk taxonomy, catastrophe modelling and analytics, and reinsurance purchase decision making frameworks.

The ERC meets at least six times per calendar year to focus on all risks with a substantive financial or strategic impact on Assurant business. The ERC, which includes Assurant's Management Committee, senior members of risk management, and leaders of all the functional support areas of the Company, is responsible for the interdisciplinary oversight of business unit and enterprise risks and the design, management, and recommendation of the risk appetite framework and limits. The Assurant GRM team is supported by the ERC, which reports and provides regular updates to the F&R Committee of Assurant's Board.

The Company maintains a full climate risk and opportunities screening analysis to identify potential climate-related risks for Assurant businesses, which is refreshed, as necessary. As part of that process, the major lines of business are reviewed and assessed based on current climate change trends, the varying degrees of potential downside and upside, and the additional information and analysis required to gain a greater understanding of the risks. The assessment considers both physical and transition-related risks across the key drivers identified in the TCFD framework over specific time horizons, as well as considering emerging regulatory requirements.

Physical Risk: For Assurant's climate-related catastrophe exposures inherent in its property insurance business, the Reinsurance Risk Committee (RRC) monitors catastrophe exposure and reports results to the F&R Committee on an as-needed basis. The RRC reviews and approves the Company's catastrophe reinsurance activities. Annually, through its catastrophe reinsurance program, the risk teams work to reduce the Company's financial exposure.

The Assurant GRM team routinely conducts scenario analysis to measure the impact of extreme catastrophic events on the property insurance portfolio, and through these analyses, decided to purchase additional catastrophe reinsurance protection to expand the return period for the top of the catastrophe reinsurance program to one in 265 years, where it remained in 2025.

When identifying or assessing climate-related risks, an impact from an individual catastrophe event that generates losses in excess of \$5.0 million USD, pre-tax, net of reinsurance and client profit sharing adjustments and including reinstatement and other premiums, is considered significant. Items greater than \$5.0 million USD are reported to the Audit Committee on a quarterly basis.

Transition Risk: Assurant monitors the emergence and development of transition risks and opportunities through the processes described above and through specific climate-related considerations.

The GRM and Legal teams monitor how changing policy and regulatory environments worldwide may directly or indirectly affect products. For example, insurance policies and/ or warranty coverage may need to be aligned with changing risks/liabilities in the marketplace. The teams are also engaged in climate regulatory matters. Assurant has partnered with relevant trade associations to provide feedback on proposed guidelines, including the American Property Casualty Insurers Association, and the Business Roundtable as a few key examples. Assurant also directly engages lawmakers about the National Flood Insurance Program and other fire and hazard risk management regulations.

In relation to the Company's investment portfolios, Assurant's portfolio management professionals as well as its third-party asset managers consider, where applicable, factors that may influence investment risk, including but not limited to sustainability-related topics.

The Company employs a risk governance structure, overseen by the Board and senior

management and coordinated by the GRM team, to provide a common framework for evaluating the risks embedded in and across Assurant businesses and functional areas, developing risk appetites, managing these risks, and identifying current and future risk challenges and opportunities.

The GRM team coordinates the Company's internal risk management activities, including climate-related risks, and is the responsibility of the Chief Risk Officer. The GRM team develops risk assessment and risk management policies and facilitates identification, management, measurement, and reporting of risks. The GRM team also coordinates with the Compliance function and other departments and internal committees overseeing risk to develop recommendations for risk limits. Periodic reporting and discussion of climate risk occurs at the ERC and subcommittees as warranted.

Risk appetite is defined as the levels, types, and amount of risk the Company is willing to accept to pursue its business and strategic objectives, consistent with prudent management of risk associated with available levels of capital. Using metrics allows for a cohesive assessment of risk, resources, and strategy, and it supports management and the Board in making well-informed business decisions. The Company's risk appetite is subject to Board oversight.

The GRM team relies on a combination of activities and processes, including scenario analysis and the Own Risk and Solvency Assessment, to provide analysis and seek assurance that material risks have been identified and are managed to be within the Board-approved risk appetites.

Physical Risk: Assurant prioritizes climate-related physical risks and opportunities based upon each business unit's exposure to natural catastrophe, flood, fire, existing and emerging regulatory requirements related to climate change, and other climate-related events.

Assurant is most prone to climate change impacts related to the homes for which it provides lender-placed, voluntary, and flood insurance through Global Housing. In managing its portfolio of voluntary property insurance policies, Assurant uses risk concentration models to identify and de-risk areas of high exposure to climate-related perils such as wildfire and flood*. To enhance its understanding of risk exposure to catastrophic events, the Company purchase aftermarket information that provides additional building characteristics, which is included in its modelling process and supply to its diverse panel of reinsurers. Assurant employs catastrophe models for various geographic regions that contain near-term (five-year) projections of climate-related weather activity, which allow it to make more accurate assumptions on the frequency of hurricanes or other climate-related events to determine pricing and guide appropriate risk-taking within the Company.

The Assurant GRM team also utilizes catastrophe modeling software to understand the potential impacts from climate change on catastrophic losses on a longer time horizon using various CO2 emissions scenarios.

Changes in total insured value and potential risk concentrations are reviewed by the

Assurant GRM team quarterly, with aggregates and trends reported to management. This analysis ensures ongoing oversight and monitoring of the portfolio exposure and the adequacy of the in-force and prospective reinsurance programs.

While Assurant cannot underwrite individual policies within its lender-placed portfolio, coverage terms offered within the policy can be changed over time to manage the risk within the portfolio. One example is the deductible level, which can be increased in higher-risk areas. Assurant's property policies are also issued with annual (12-month) terms, so pricing, coverage, and the contracts with its insurance clients can be reviewed within a relatively short time horizon relative to the longer-term impacts of climate change.

As part of The Company's growth strategy, combined earnings and capital from Global Lifestyle and Global Housing creates diversification and drives resilience to climate-related financial risk. For Assurant's own operations, the Assurant GRM team, in collaboration with the Corporate Real Estate and Facilities functions, assesses all the Company's facilities for exposure to severe climate-related events and recommends improved climate resiliency where appropriate.

Transition Risk: Under the oversight of the Assurant Investment Committee, the Company's portfolio management professionals and third-party asset managers consider, where applicable, factors that may influence investment risk, including but not limited to sustainability-related topics.

**Not applicable to the Branches*

As described above, climate-related risk identification is integrated into multidisciplinary, Company-wide risk identification, assessment, and management processes. Given the characteristics of climate risks, Assurant uses a risk approach wherein climate-related risks are part of the existing framework and attributed to the existing risk taxonomy. The main reasons for that are:

- Climate-related risks are intertwined with other risks and risk types. They should be looked at holistically and be an integral part of the decision and risk mitigation process
- Assurant operates in multiple countries with different business lines and teams
- The impact and severity of climate risks are geographically diverse
- The impact and severity will differ among the various business lines (e.g., Automotive is different from Connected Living)
- In most circumstances, physical and transition risks are a driver for other conventional risk types (e.g., strategic, market, or operational)

The Assurant ERM Framework and risk appetite statements set out our approach to determining risk appetite and the risk themes, which are groupings of similar or related risks, for which a risk appetite statement is captured. Assurant has a risk appetite statement for climate and catastrophe risk, as well as a separate sustainability risk statement that addresses reputational considerations and stakeholder expectations related to climate and circularity. Additional examples of actions related to climate include:

- The Assurant Climate Action Policy and commitment to reducing carbon emissions
- Efforts to monitor climate risk exposure through catastrophe-exposed underwriting
- Efforts to monitor climate risk exposure in the investment portfolio as we look to maximize financial value to Assurant

For these and other possible instances regarding separate climate risk appetites, the regular risk appetite setting process is followed.

Metrics and Targets

The Branches uses the GHG Protocol Corporate Standard methodology, as appropriate, to understand climate-related risks and opportunities.

The Branches Scope 1 and Scope 2 GHG emissions for 2025 are:

- Scope 1 absolute gross GHG emissions: 41.03 t CO₂e
- Scope 2 (Location-based) absolute gross GHG emissions: 46.12 t CO₂e

The Company has chosen to employ the operational control approach as defined by the GHG Protocol Corporate Standard.

Emissions for Canadian FRFI were calculated by estimating natural gas and electricity consumption due to the lack of available activity data. Energy consumption is estimated using total building square footage combined with representative energy intensity factors for commercial buildings, taking into account the principal building activity. This approach was applied separately to natural gas and electricity.

These are the key assumptions applied to calculations:

- All facilities are assumed to consume electricity and natural gas unless otherwise indicated
- No facilities are considered to consume purchased steam, heat, or cooling unless otherwise noted

Assurant set its near-term greenhouse gas (GHG) emissions reduction target through its longer-term strategic planning process, overseen by the Board. The Branches take guidance from Assurant regarding emissions reduction targets and align with the Company's target-setting approach under the operational control boundary. The target was aligned with science-based target-setting methodology and reviewed with the NCG. Progress toward the goal is reviewed with the Board or NCG Committee on an ongoing basis.