Assurant, Inc. - Climate Change 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Assurant, Inc. ("Assurant" or the "Company") is a global provider of lifestyle and housing solutions that support, protect and connect major consumer purchases. The Company operates in North America, Latin America, Europe and Asia Pacific through three operating segments: Global Housing, Global Lifestyle and Global Preneed. Through our Global Lifestyle segment, we provide mobile device solutions and extended service products and related services for consumer electronics and appliances (referred to as "Connected Living"); vehicle protection and related services (referred to as "Global Automotive"); and credit and other insurance products (referred to as "Global Financial Services and Other"). Through our Global Housing segment, we provide lender-placed homeowners insurance, lender-placed manufactured housing insurance and lender-placed flood insurance (referred to as "Lender-placed Insurance"); renters insurance and related products (referred to as "Multifamily Housing"); and voluntary manufactured housing insurance, voluntary homeowners insurance and other specialty products (referred to as "Specialty and Other"). Through our Global Preneed segment, we provide pre-funded funeral insurance, final need insurance and related services.

On March 9, 2021, Assurant announced it entered into a definitive agreement to sell its prearranged funeral insurance and final expense business, Global Preneed, and related legal entities and assets to CUNA Mutual Group. The closing of this transaction is expected to occur by the end of the third quarter 2021, subject to regulatory approvals and other customary closing conditions.

Assurant is a Fortune 500 company with 14,100 employees, a member of the S&P 500, and is traded on the New York Stock Exchange under the symbol "AIZ". Assurant had approximately $44 billion in assets and approximately $10 billion in revenues for the year ended December 31, 2020.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2020	December 31 2020	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Argentina
Australia
Brazil
Canada
Chile
China
Colombia
France
Germany
India
Italy
Japan
Mexico
Netherlands
New Zealand
Peru
Puerto Rico
Republic of Korea
Singapore
Spain
Thailand
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-FS0.7

(C-FS0.7) Which organizational activities does your organization undertake?

Investing (Asset owner)

Insurance underwriting (Insurance company)

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The Company's Board of Directors (the "Board"), directly and through its committees as described in their charters, oversees our risk management policies and practices and regularly discusses risk-related issues, including climate-related risk. The Audit Committee reviews the company's policies with respect to risk assessment and risk management and coordinates with the Finance & Risk (F&R) Committee with respect to Board oversight of risk management and enterprise risk management activities. The F&R Committee receives regular risk management updates and also focuses on risks relating to investments, capital management and catastrophe insurance. This includes oversight of our climate-related risk appetite and the integrity and adequacy of our risk mitigation strategies, including with respect to catastrophic, climate-related events. The Board approves the company's risk appetite and reviews management's assessment of key enterprise risks annually, as well as management's strategy with respect to each risk. Our Chief Strategy and Risk Officer reports to the F&R Committee at least quarterly, and to the Board at least annually. Additionally, the Board's Nominating and Corporate Governance Committee oversees Assurant's overall Environment, Social and Governance (ESG) strategy and program, including climate-related actions, and receives periodic updates from the Chief Administrative Officer and ESG/Social Responsibility leaders.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding risk management policies	Climate-related risks and opportunities to our insurance underwriting activities Climate-related risks and opportunities to our other products and services we provide to our clients	The Board, directly and through its committees as described in their charters, oversees our risk management policies and practices and regularly discusses risk-related issues, including climate-related risk. The Audit Committee reviews the company's policies with respect to risk assessment and risk management and coordinates with the Finance & Risk (F&R) Committee with respect to Board oversight of risk management and enterprise risk management activities. The F&R Committee receives regular risk management updates and focuses on risks relating to investments, capital management and catastrophe insurance, including oversight of our climate-related risk appetite. The Board approves the company's risk appetite and reviews management's assessment of key enterprise risks annually, as well as management's strategy related to each risk. Our Chief Strategy and Risk Officer (CSRO), who reports directly to our CEO, reports to the F&R Committee at least quarterly, and to the Board at least annually. The CSRO, Chief Administrative Officer (CAO) and Chief Financial Officer (CFO) all report to the CEO and oversee functions responsible for climate-related actions, policies and risk management. Risk Management coordinates our risk management activities and is headed by our Global Head of Risk, who reports to the CSRO. Climate-related issues inherent in Assurant's property insurance writings are monitored by the Reinsurance Risk Committee (RRC), which reports into the Enterprise Risk Committee (ERC), and subsequently the F&R Committee of the Board. Quarterly updates from the CSRO include the company's risk appetite related to reinsurance, changes to catastrophic risk, and material climate-related issues in catastrophe-prone areas where Assurant does or plans to conduct business. The ERC includes members of Assurant's Management Committee, Risk Management leadership, and certain functional leads, and is responsible for the interdisciplinary oversight of business unit and enterprise risks. Additionally, the CAO provides periodic updates to the Nominating and Corporate Governance Committee of the Board, which has direct oversight of Assurant's ESG matters and strategy. The SVP, Chief Actuary provides an annual actuarial update to the Audit Committee, including a review of actuarial reserve liabilities and the impact of climate-related risks and joins quarterly Audit Committee earnings meetings where catastrophic events impacting our financial statements and related disclosures are discussed. Additionally, in early 2021 a group of senior management personnel engaged in a process to perform a detailed analysis of climate-related risks and opportunities for ten of our most critical facilities around the world, in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The results will inform discussion with the Board on risk responses and long-term goal setting during the second half of 2021.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify (Chief Strategy and Risk Officer)	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our insurance underwriting activities Risks and opportunities related to our other products and services Risks and opportunities related to our own operations	Quarterly
Other C-Suite Officer, please specify (Chief Administration Officer)	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our own operations	Half-yearly
Other committee, please specify (Reinsurance Risk committee)	Other, please specify (Chief Strategy and Risk Officer)	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our own operations	Quarterly
Other committee, please specify (Enterprise Risk Committee (ERC))	Other, please specify (Chief Strategy and Risk Officer)	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our insurance underwriting activities Risks and opportunities related to our other products and services Risks and opportunities related to our own operations	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Chief Strategy and Risk Officer, Chief Administrative Officer and Chief Financial Officer, who each report directly to our CEO, oversee functions responsible for climate-related actions, policies, and risk mitigation and management. Risk Management coordinates our risk management activities and is headed by our Global Head of Risk, who reports to the Chief Strategy and Risk Officer. Climate-related issues inherent in Assurant's property insurance writings are monitored by the Reinsurance Risk Committee (RRC), which reports into the Enterprise Risk Committee (ERC), and subsequently the F&R Committee of the Board. Quarterly updates from the Chief Strategy and Risk Officer include the company's risk appetite related to reinsurance, changes to catastrophic risk, and material climate-related issues in catastrophe-prone areas where Assurant does or plans to conduct business. The ERC includes members of Assurant's Management Committee, Risk Management leadership, and leaders of certain functional support areas of the company, and 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 ERC reviews the most significant risks and the mitigation and remediation plans that correspond to these risks, including climate-related risk. Our risk committees integrate social and environmental factors into their practices by monitoring relevant potential long-term concerns that could impact our business, such as climate change. When the committees identify long-term risks, they work with other company functions to implement necessary programs and processes. Effective enterprise risk management is crucial in the allocation of climate-related risks in our business.

Additionally, the Chief Administrative Officer provides periodic updates to the Nominating and Corporate Governance Committee of the Board, which has direct oversight of Assurant's ESG matters and strategy.

Our CEO, together with our Chief Administrative Officer and our ESG/Social Responsibility leaders, set the ESG strategic direction, including matters that address climate change, in collaboration with the Management Committee as well as other leaders and subject matter experts representing social responsibility, investor relations, risk management, strategy, facilities, legal, business operations, customer experience and our human resources organization to identify and prioritize key ESG and climate-related matters. In addition, this group helps to track key ESG metrics (as discussed in the Company's Social Responsibility report) that are shared with the Company's Management Committee and Board of Directors.

Additionally, in early 2021 a group of senior management personnel including Assurant leaders from ESG/Social Responsibility and Risk functions engaged in a process to perform an analysis of climate-related risks and opportunities for ten of our most critical facilities around the world, in alignment with the Financial Stability Board's (FSB) Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The high-level results of this exercise have been shared with additional management teams across the company to help inform climate-related risk management and responses where appropriate.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Both monetary and non-monetary incentives are provided at the C-suite level for management of climate-related issues.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Other C-Suite Officer	Non-monetary reward	Behavior change related indicator	In 2019, we launched a targeted Go Green program to accelerate our sustainability efforts and increase employee education and engagement. Our Chief Strategy and Risk Officer serves as executive sponsor of the Go Green program, and the program is reflected in annual performance targets that influence monetary rewards. In 2019, we completed the elimination of Styrofoam from our offices through the program, launched additional local initiatives such as our community engagement with Trees Atlanta, and are replacing single-use plastics with eco-friendly alternatives in partnership with our suppliers and reducing paper use enterprise wide. We also installed several water bottle stations to discourage single-use plastic in major office locations like Atlanta and Miami. The Go Green program continued in 2020, including reducing overall paper consumption by about 52.5 tons as we continue to migrate to more digital applications and processes, removing printers wherever possible. We also transitioned our Woodbury, Minnesota, and Duluth, Georgia, locations to virtual to enable greater flexibility and began the process to significantly reduce our New York office footprint from 55,000 square feet to 11,000 square feet by midyear 2021. Additionally, we improved the environmental efficiency of our Atlanta office with LED lighting, low flow and hands-free water fixtures and enhanced building system control settings.
Other C-Suite Officer	Monetary reward	Energy reduction project	In 2020, our Chief Administrative Officer was responsible for Assurant's overall ESG/Social Responsibility program reporting of progress related to the material topics, including Climate Action and Energy, Emissions, and Waste. Performance on the ESG/Social Responsibility program, including progress toward our two percent annual energy reduction goal, was reflected in annual goals that influenced 2020 monetary rewards.

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG principles, including climate change?

	We offer an employment-based retirement scheme that incorporates ESG principles, including climate change.	Comment
Row 1	No	We do not offer employment-based retirement scheme that incorporates ESG principles at this time.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	Assurant's defines the short-term time horizon as 0-1 years.
Medium-term	1	3	Assurant's defines the medium-term time horizon as 1-3 years.
Long-term	3	15	Assurant's defines the long-term time horizon as 3-15 years.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Assurant defines a substantive financial or strategic impact on our business when identifying or assessing climate-related risks as an impact from an individual catastrophe event that generated losses in excess of $5.0 million, pre-tax and net of reinsurance. All items greater than $5.0 million are reported to the Audit Committee on a quarterly basis. All risks with a potential impact to net operating income in excess of $10.0 million are reported to the Finance & Risk Committee for additional review.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Assurant prioritizes climate risks and opportunities based upon each business unit's exposure to catastrophe, flood, fire and other climate-related events. The company conducted a risk and opportunities screening analysis to identify potential climate-related issues for Assurant businesses. To enhance our understanding of our significant risk exposure to catastrophic events, we purchase third-party information that provides us with additional building characteristics, which we include in our modelling process and supply to our panel of more than 40 reinsurers. We employ catastrophe models for various geographic regions that contain long-term (5-year) projections, which allow us 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. This process has helped Assurant identify portions of our portfolio that are at the highest risk of catastrophic events that could have a substantive financial impact on our business. As a result, throughout 2020 and into early 2021 Assurant executed several strategic decisions to reposition our catastrophic reinsurance portfolio in the Caribbean and Latin America to reduce risk related to catastrophic events. Assurant Risk Management, in collaboration with corporate real estate and facilities, assesses all of the company's facilities for exposure to severe climate-related events and recommends improved climate resiliency where appropriate. For example, we fortified our Miami, Florida office with hurricane-resistant glass that provides protection from hurricanes rated up to category 5 and a full electrical generator capacity for use during a tropical cyclone and/or long-term power outage. Risk Management coordinates the company's internal risk management activities and is headed by our Global Head of Risk, who reports to the CSRO. Risk Management develops risk assessment and management policies and facilitates identification, management, measurement and reporting of risks. Periodic reporting and discussion of climate risk occurs at the ERC and subcommittees, as warranted. Risk appetite is used to reasonably ensure that we manage the types and amount of risk we are willing to assume, consistent with our business strategy and objectives. The company's risk appetite is subject to Board oversight. Risk Management facilitates an annual Risk and Control Self-Assessment, which assists in identifying the top enterprise risks for the following year. Risk owners from each of the company's key business and functional areas assess current and future risks within their areas and the effectiveness of controls in place. Risk Management presents results to management and action plans are agreed as necessary. This annual assessment is also used to identify potential emerging risks. Climate-related risk identification is integrated into a multidisciplinary, company-wide risk identification, assessment and management processes. For our climate-related catastrophe exposures inherent in our property insurance business, our RRC monitors catastrophe exposure and reports results to the F&R Committee of the Board on a quarterly basis. Our RRC reviews and approves our catastrophe reinsurance activities. Annually through our catastrophe reinsurance program, we work to reduce our company's financial exposure while protecting millions of homeowners and renters against severe weather and other hazards. Our lender-placed insurance product also offers significant liquidity to the mortgage industry and its ability to offer mortgage loans. Additionally, the ERC meets at least six times per calendar year to focus on all key risks (i.e., inherent risks greater than $5 million Net Operating Income across the full spectrum of Assurant's risk taxonomy). The ERC, which is chaired by our Chief Strategy and Risk Officer and includes 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 ERC reports and provides regular updates to the F&R Committee. For our Global Lifestyle business line, our critical vendors are contractually obliged to let us review and approve of their business continuity programs, plans and disaster response protocols. In early 2021, Assurant completed a TCFD-aligned climate risks and opportunities scenario analysis for ten of our most critical facilities around the world. The locations included headquarters, offices, and warehouses of strategic and geographic importance to Assurant and were selected to maximize insights for Assurant's consideration of climate risks and opportunities within our own operations. Climate impacts for the selected locations were modelled under two different climate scenarios – one aligned with RCP 8.5 ("Business-as-usual") and one aligned with RCP4.5 ("lower-emissions scenario") – using a third-party software tool along with input from Assurant. A range of physical and transition risks were evaluated under two different time horizons. The near-term time horizon represented potential impacts form 2020-2029 while the long-term time horizon represented potential impacts form 2030-2039. The initial results of this scenario analysis will be shared with the Board and with key leaders in the organization in the second half of 2021, and we plan to evaluate them further in the future to help inform Assurant's climate-related risk and opportunity responses. As a result of the growing customer demand for lower emissions vehicles, the electric vehicle (EV) market has been growing exponentially in the past few years, which has presented an opportunity for Assurant to capture new market share related to lower-emissions products. In January 2020, Assurant partnered with The London Electric Vehicle Company (LEVC) to provide extended warranty solutions for their electric commercial vehicles. The new warranty proposition, LEVC One, will cover LEVC electric TX black cabs and VN5 electric van models, more than 4,000 vehicles that are on UK roads today, and will closely resemble the Original Equipment Manufacturer (OEM) initial offering. The Assurant program will manage the day-to-day claims management, offering its customer service expertise to vehicle owners, and allowing LEVC to focus on its core business activity. The LEVC One product is the first of its kind specifically for Electric Vehicle warranty coverage, based on the EV One electric and hybrid vehicle warranty product launched in 2020. In early 2021, Assurant announced the continued rollout of an electric vehicle and hybrid vehicle-specific protection product to North America (U.S., Canada, Mexico and Puerto Rico), similar to the product launched in the UK in 2020.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Assurant's Office of Risk Management and government relations group closely monitors risks relating to current and emerging regulations. For example, as an administrator of the National Flood Insurance Program (NFIP) provided by the Federal Emergency Management Agency (FEMA) in the United States, Assurant closely monitors our risks related natural disasters. Assurant works with state and national regulators, focusing especially on our relationships in areas facing elevated risk from climate change, such as those along the coasts, or national programs exposed to this risk, like FEMA. We believe engagement with regulators provides the best path to address climate-related risks while ensuring access to fair-priced insurance. Our approach to regulator engagement advocates for policies that help to mitigate climate-related risk. For example, we offer insurance policies that incentivize lower risk behaviors, like adopting climate resilient construction practices. We also work closely with state and local insurance departments to promote fair assessments of building construction that actively mitigate their properties' climate change risks.
Emerging regulation	Relevant, always included	Our industry faces substantial regulatory compliance responsibilities and our ability to successfully monitor and respond to regulatory imperatives is crucial to our business. Assurant's Office of Risk Management and government relations group closely monitor risks relating to current and emerging regulations. For example, in November 2020 the UK government announced a number of initiatives including the introduction of mandatory TCFD aligned disclosures fully mandatory across the UK economy by 2025, with listed firms and larger financial services and other firms being required to implement reporting by 2023. A full consultation paper was issued in March 2021. This is part of a package or initiative to help the UK meets its 2050 net zero target and other environmental objectives, which include the creation of "green gilts", review of prudential regulation to transition financial flows to climate favorable investments potentially through both carbon pricing and capital weightings. Across Europe similar packages of regulations are also under review, including a number of acts proposed in April 2021, to strengthen climate related and sustainability disclosures by European firms, require firms to integrate sustainability considerations within their strategic, product governance and risk management processes including investment practices. Additionally, in the U.S., Assurant also annually responds to various state climate-related survey requests, including from the state of California which collects data on behalf of several states including Washington, Connecticut, Minnesota, New Mexico and New York. Already in 2021, Assurant further engaged with various regulatory bodies to provide feedback on emerging climate-related disclosure requirements including to the NY Department of Financial Services, via the American Property Casualty Insurance Association, in response to NY's Proposed Guidance for Domestic Insurers on Managing Financial Risk from Climate Change and to the SEC, via the Business Roundtable, in response to the SEC request for information on climate change disclosures.
Technology	Relevant, sometimes included	Assurant's materiality assessment identified Innovation and Customer Experience as one of our top ESG topics. Innovation is core to meeting and anticipating our client and consumer needs and an integral part of our strategic plans and continued success. As digital distribution and access lead to increased connections between consumers and technology, as well as increased consumer expectations, Assurant uses technology platforms that allow for virtual workstyles and data transfer to other facilities to maintain operations and fast services for our customers. Assurant has also invested and implemented several digital self-service tools across lines of business to help provide easier ways for customers to start, manage and complete a claim. We have also implemented chat technology and virtual inspections to further enhance service options and reduce the time taken to resolve a claim. However, given this is not implemented across all lines of business, in the event of increased severe weather or catastrophic events, we risk losing the ability to provide a convenient, fast, self-service experience to our customers, which could cause our customer base to deteriorate.
Legal	Relevant, always included	Legal challenges involving climate-related issues could include legal initiatives and court decisions in the aftermath of major catastrophes that could expand insurance coverage for catastrophic claims that would negatively impact our business.
Market	Relevant, always included	As we strengthen our climate strategy, we continue expanding our understanding of consumer needs and global trends, including a more comprehensive look at global climate change impacts. To maintain our leading positions, we will continue to incorporate climate change risks and opportunities into our decision-making processes and maximize our operational efficiency. For example, in December of 2020, Assurant closed the acquisition of HYLA mobile, a leading provider of smartphone software, trade-in and upgrade services with recognized sustainability practices. The acquisition strengthens Assurant's trade-in and upgrade programs and will help further sustainability efforts and operations integration by extending the life of mobile devices. Assurant might also be affected by increasing material costs in our Global Lifestyle business, in which we operate mobile repair facilities. These facilities require inputs of certain raw materials in order to process phone repairs, and we anticipate the costs of these raw materials will increase as global supply chains are affected more frequently by climate-related extreme weather events such as hurricanes and most recently as seen during the COVID pandemic. This risk was evaluated through our scenario analysis process, and while it was identified as a low climate-related risk, we will continue to monitor this risk and evaluate emerging market and business risks and changes in severity in the future.
Reputation	Relevant, sometimes included	Assurant's materiality assessment identified Customer Experience as another key ESG topic with "Customer Commitment" being a key pillar of Assurant's ESG/Social Responsibility strategic framework. A failure to meet customer needs, preferences or timeframes could compromise Assurant's position as a market leader and our broader reputation. If customers perceive Assurant as not taking action to help address climate change or provide services that mitigate climate-related risks, we could damage our reputation in the market, which could result in lost customers and lost revenues. Assurant proactively launches awareness campaigns to evaluate customer needs. For example, each year in advance of hurricane season, we conduct an awareness campaign through social media and communication outreach to reinforce readiness, especially in catastrophe prone states. Assurant also has increasingly leveraged proactive communications around climate-related actions to build awareness with key stakeholders. Additionally, Assurant conducts social media tracking to review trending topics, gain additional insights on stakeholder comments and perceptions of the company. The social media tracking includes various ESG topics, such as climate change, and feedback is considered when assessing reputational risks. Assurant also believes climate change has the potential to impact the company's employer brand and ability to attract talent focused on sustainability issues.
Acute physical	Relevant, always included	Assurant purchases forward-looking catastrophe and storm models from several modelling agencies. Our in-house catastrophe modellers also work with modelling agencies to help improve Assurant's models. Assurant employs a proprietary view of risk, which combines and adjusts results from several models to arrive at a comprehensive annual assessment of our climate-related risk, policy rates and reinsurance costs. The Office of Risk Management, in collaboration with Corporate Real Estate and Facilities, assesses all Assurant facilities for exposure to severe climate-related events and recommends improved climate resiliency where appropriate. For example, due to Florida's high exposure to hurricanes, we fortified our Miami, Florida office with hurricane resistant glass that provides protection from hurricanes rated up to Category 5 and full electrical generator capacity for use during a tropical cyclone and/or long-term power outage. We also provide optional electrical generators to most large facilities, with additional generators for data protection in select locations. We strategically relocated our data centers in the United States several years ago, so they are in regions less vulnerable to catastrophic events such as hurricanes.
Chronic physical	Relevant, sometimes included	We continue to bolster our understanding of chronic physical climate change issues impacting our business. To mitigate potential chronic risks across our U.S. footprint, we have depot locations in Tennessee, Texas and Pennsylvania to ensure business continuity during disaster recovery. These diverse locations lower the risk that any chronic or acute physics risks would affect all depots.

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Yes	In the second quarter of 2020, Assurant finalized the strategic decision to outsource the day-to-day management of our investment portfolio and as a result, now has three core global asset firms managing the portfolio. Assurant is working with these third-party asset managers on an Environmental, Social, Governance (ESG) implementation plan that includes climate-related actions aligned with our investment strategy. In early 2021, Assurant sent a formal request to each of our three third-party asset managers requesting emissions data associated with Assurant's portfolio in additional to information about how each asset manager is assessing and incorporating climate risk and ESG into product or investment strategy decisions. As part of quarterly reviews with the asset managers, the investment team engages in discussion on relevant ESG topics. We intend to issue the formal request for climate-related data/information on an at least annual basis going forward. Additionally, Assurant's Investment Management Committee, provides a forum for ESG topics related to the investment portfolio to be discussed, and has committed to implement exclusionary screening mandates for its core fixed income portfolios managed by large institutional money managers across a range of ESG criteria including certain climate-related factors with implementation expected in the second half of 2021.
Insurance underwriting (Insurance company)	Yes	Assurant faces the greatest risk exposure to climate change through our lender-placed, voluntary homeowners, and flood property insurance offerings, particularly in coastal regions prone to hurricanes. We integrate several strategies into our business approach to mitigate these risks and seize opportunities, including diversifying our business away from insurance, risk sharing largely through reinsurance and catastrophe modelling.
Other products and services, please specify	Not applicable	N/A

C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

	Portfolio coverage	Assessment type	Description
Bank lending (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Majority of the portfolio	Qualitative and quantitative	Assurant's invested asset portfolio is primarily invested in core fixed maturity and equity securities which make up 88% of total investments and are managed by external asset managers. The remaining 12% of total investments includes commercial mortgages, short-term, and other investments. Each core asset manager has developed a similar approach to calculate the portfolio emissions of our holdings, which is reflected in a weighted average carbon intensity metric (tCO2e / $ million total sales) on a sub-portfolio basis and an overall portfolio basis. Across these managers, carbon intensity is based on the scope 1 and 2 emissions of investee companies, as sourced from the data provider MSCI and Bloomberg for Green, Social and Sustainable (GSS) bonds. For certain investment grade fixed income assets, our asset managers are able to offer additional insights into the climate-related risks of our portfolio including for example, analysis of the portfolio's temperature rating to 2050, percentage of holdings with Science-Based Targets, and percentage of holdings which are Paris Aligned per the Transition Pathway Initiative (i.e. a pathway to 2C or below by 2050).
Insurance underwriting (Insurance company)	Minority of the portfolio	Qualitative and quantitative	Assurant defines the portfolio coverage as Minority given less than 50% of Assurant's net operating income is generated from insurance underwriting related to catastrophe-exposed business. Through the use of industry standard modelling tools, Assurant quantifies its risk to hurricane and voluntary flood risks on a semi-annual basis. Changes in total insured value and hot spots are updated quarterly, with aggregates and trends reported to management on a quarterly basis. Additionally, much of the risk associated with our catastrophe-exposed insurance business, which makes up only about 31% of Assurant's overall business, is mitigated through our reinsurance program.
Other products and services, please specify	<Not Applicable>	<Not Applicable>	<Not Applicable>

C-FS2.2d

(C-FS2.2d) Do you assess your portfolio's exposure to water-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	No, we don't assess this	<Not Applicable>	Water-related risks and opportunities are not explicitly reported on by our asset managers. Should such risks or trends become relevant, Assurant will incorporate them in our assessment and monitoring.
Insurance underwriting (Insurance company)	Yes	Minority of the portfolio	Assurant faces the greatest risk exposure to water-related events through our lender-placed, voluntary homeowners, and flood property insurance offerings, particularly in coastal regions prone to hurricanes, and arid regions prone to drought. Assurant has a separate flood reinsurance treaty related to flood exposure, in which Assurant retains 25% of risk exposure and the rest is reinsured. We do specific flood modelling in support of this portfolio.
Other products and services, please specify	Not applicable	<Not Applicable>	N/A

C-FS2.2e

(C-FS2.2e) Do you assess your portfolio's exposure to forests-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	No, we don't assess this	<Not Applicable>	Forest-related risks and opportunities are not explicitly reported on by our asset managers. Should such risks or trends become relevant, Assurant will incorporate them in our assessment and monitoring.
Insurance underwriting (Insurance company)	Yes	Minority of the portfolio	Wildfire exposure does not represent a material risk to Assurant. To confirm this, concentration risk in regions prone to wildfire is modelled intermittently.
Other products and services, please specify	Not applicable	<Not Applicable>	N/A

C-FS2.2f

(C-FS2.2f) Do you request climate-related information from your clients/investees as part of your due diligence and/or risk assessment practices?

	We request climate-related information	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Yes, for some	Each of our asset managers has a mature process to measure climate-related metrics and risks of current and potential investees. As highlighted in C-FS2.2b, we request emissions data associated with Assurant's portfolio from our asset managers and will continue to do so on a regular basis. As we continue to advance the integration of ESG considerations into our investment approach, we will continue to embed the results of climate-related information into our regular risk review and assessment practices.
Insurance underwriting (Insurance company)	Not applicable	N/A
Other products and services, please specify	Not applicable	N/A

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Risk 1

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact
Increased insurance claims liability

Climate risk type mapped to traditional financial services industry risk classification
Policy and legal risk

Company-specific description
In Global Housing, our lender-placed insurance is subject to a sizable portion of this risk. Lender-placed insurance products accounted for approximately 53% of Global Housing's net earned premiums, fees and other income and 11% of total Assurant net earned premiums, fees and other income for the twelve months ended December 2020. Catastrophe losses, including human-made catastrophe losses, could materially reduce our profitability and have a material adverse effect on our results of operations and financial condition. U.S. regulation requires a bank or mortgage servicer to maintain gap-free insurance coverage if a homeowner's insurance lapses or fails to meet minimum requirements set by a bank or mortgage servicer. Because of the nature of lender-placed insurance, Assurant cannot assess the property prior to the insurance activating. Additionally, properties may turn to lender-placed insurance after other insurance companies refused to cover the property due to elevated risk. Assurant has observed an increase in lender-placed insurance in areas with higher exposure to tropical cyclones, especially along the coasts (e.g., New York) and the Gulf of Mexico (e.g., Florida and Texas). In Florida, the increased risk and costs from hurricanes has led many insurers to withdraw from the state. Citizens Property Insurance, the state-founded insurer (the insurer of last resort), can reject covering a property for limited reasons. In this manner, Assurant's lender-placed insurance may take the role of insurer of last resort on properties with high climate-related risks. In other areas prone to drought, such as California, properties experiencing higher fire risk exposure may receive an Assurant lender-placed policy. Lender-placed insurance inherently carries substantial risk. As the percentage of risk relating to climate increases, Assurant must better understand, reduce, and mitigate climate-related risk.

Time horizon
Medium-term

Likelihood
Unlikely

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
1150000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
On Assurant's U.S. property portfolio, the probability of an $80 million Catastrophe Loss is ~1 in 4 years. Above this level, Assurant is protected by reinsurance up to a $1.15 billion event loss, which represents the potential financial impact and includes the cumulative coverage of our U.S. property catastrophe reinsurance program. This includes the U.S. main tower of $930 million, which has an occurrence probability of 1 in 174 years, as well as coverage provided by the Florida Hurricane Catastrophe Fund of $220 million. Renewals subject to changes in limit, coverage terms, coverage period, retention and cost. The 2020 program protects more than three million homeowners and renters.

Cost of response to risk
113600000

Description of response and explanation of cost calculation
Responsible risk sharing, largely from reinsurance, forms the foundation of Assurant's risk mitigation strategy. Assurant considers reinsurers as strategic partners and credits transparency to our strong relationships with more than 40 global firms. In addition, the diversified composition of Assurant's business portfolio helps to mitigate the impacts from risks associated with a single physical location or business line. The 2020 Catastrophe Reinsurance Program also includes coverage in the Caribbean of up to $175 million in excess of $20 million, and 2020 Latin America/ Mexico protection of up to $170million in excess of $7 million. Assurant purchases forward-looking catastrophe and storm models from several modelling agencies. Our in-house experts including meteorologist and catastrophe modellers also work with modelling agencies to help improve Assurant's models. Assurant employs a proprietary view of risk, which combines and adjusts results from several models to arrive at a comprehensive annual assessment of our climate-related risk, policy rates and reinsurance costs. We tested the program against several of the most significant historical catastrophes dating back to the 1850s using industry-leading catastrophe models. The model showed if these events were to recur today (e.g., Hurricane Andrew, Hurricane Katrina or superstorm Sandy), Assurant's loss would be well within the U.S. catastrophe reinsurance program's limit. The cost of the response to risk refers to Assurant's approximate property catastrophe reinsurance premiums in 2020. The premiums paid are for the U.S. main tower ($97.5 million) and the Florida Hurricane Cat Fund ($16.1 million); additionally, Assurant has the following catastrophe treaties: the Caribbean Cat treaty ($18.2 million), the Latin America Cat Treaty ($3.1 million) and the Multiline Property Per Risk ($3.5 million). In total, Assurant's global catastrophe reinsurance programs were estimated to cost $138.4M. Actual reinsurance premiums will vary if exposure changes significantly from estimates or if reinstatement premiums are required due to catastrophe events.

Comment
N/A

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Mandates on and regulation of existing products and services

Primary potential financial impact
Increased insurance claims liability

Climate risk type mapped to traditional financial services industry risk classification
Policy and legal risk

Company-specific description
Catastrophe losses, including human-made catastrophe losses, could materially reduce our profitability and have a material adverse effect on our results of operations and financial condition. In Global Housing, our participation in FEMA's NFIP is subject to a portion of this risk. Assurant is the second largest administrator for the U.S. government under NFIP. In the U.S., FEMA's NFIP subsidizes properties considered "preferred risk", or those with higher exposure to climate change risks. In 1983, the NFIP started the collaborative Write Your Own (WYO) Program, which allows private insurers to issue and service flood insurance. FEMA assumes all risks and underwriting costs associated with these policies, but the NFIP's total debt, as of December 202020, has been reported at around $20 billion, which does not include any debts incurred from Hurricanes Harvey, Irma and Maria. Unless FEMA adopts higher premiums that reflect increased climate-related risk and incentivizes risk reducing behaviors, like relocation or flood resilient construction, the NFIP's increasing debt may restrict future claim reimbursements to insurers. FEMA's lack of policies and incentives that prevent or reduce climate-related risk also hinders Assurant's ability to use similar tools to address the underlying causes of climate-related risk. With that said, FEMA is in the process of updating their risk rating methodology through the implementation of a new pricing methodology which is currently scheduled to go live in October of 2021. This new structure would help to enable that FEMA delivers rates that better reflect a property's flood risk. In addition, Congress must also reauthorize the NFIP periodically. A failure to reauthorize the NFIP, beyond the current extension period of September 30, 2021, would effectively stop the sales and renewal of NFIP flood policies, which may reduce our role as the second largest administrator in the WYO program.

Time horizon
Medium-term

Likelihood
Unlikely

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
100000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
At present, Assurant is one of the largest administrators of policies in the WYO Program. Thus, any late, reduced, or denied repayment poses a risk to future profits. The potential financial impacts of this occurring would be significant to our business. Assurant calculated the potential financial impact during a bad flood season, which could result in a potential gross loss of $500 million. If FEMA pays only 80% ($400 million) of their obligations on a gross loss of $500 million, it could result in an estimated potential financial impact to Assurant of $100 million—the 20% that FEMA did not cover ($500 million x 20% = $100 million).

Cost of response to risk
3500000

Description of response and explanation of cost calculation
The cost of management estimates the total shared costs for various business functions that support Risk 2, Risk 3, Opportunity 1, and Opportunity 2. This estimate represents a portion of our costs to run our legal, compliance, government relations, and actuarial teams. $3,500,000 is the mean of our $2,000,000 to $5,000,000 estimated range. Assurant works with state and national regulators, focusing especially on areas facing elevated risk from climate change, such as along the coasts, or national programs exposed to this risk, like FEMA. We believe engagement with regulators provides the best path to address climate-related risks while ensuring access to fair-priced insurance. We also offer lower insurance rates for structures that are built inland or adopt climate-resilient improvements as allowed by local regulations. As one of the largest flood insurance carriers for the U.S. government under the voluntary NFIP, Assurant educates FEMA and national legislators on flood catastrophe models and the climate-related flood risk that may influence future policy. In regulator outreach, Assurant stresses the need to accelerate insurance policy and products that incentivize lower-risk behaviors, like adopting climate resilient construction practices, and thus address an underlying cause of climate-related risk.

Comment
N/A

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Regulation and supervision of climate-related risk in the financial sector

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
Policy and legal risk

Company-specific description
We are subject to extensive laws and regulations, which increase our costs and could restrict the conduct of our business. Violations or alleged violations of such laws and regulations could have a materially adverse effect on our reputation, business and results of operations. Our business is also subject to risks related to reductions in the insurance premium rates we charge. Changes in insurance regulation may reduce our profitability and limit our growth. In the United States, insurance regulators seek to

maintain orderly markets, which can lead to moderation of indicated rate movements. One of the unintended consequences of this can be a potentially insufficient differential between regulator-approved insurance rates for properties with high exposure to climate events and the true exposure of these properties. Some state insurance departments do not allow the use of computer models in rate proposals submitted by companies such as Assurant, while in other states the use of models is highly constrained to the state's approved view and use. The evolving nature of climate change risk is not well captured without the ability to model situations and exposures using a forward-looking view reflective of this risk.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
20000000

Potential financial impact figure – maximum (currency)
40000000

Explanation of financial impact figure
Faced with an inability to charge rates commensurate with risk, insurance companies can experience reduced profitability, reduce capacity, or even withdraw capacity from a given area or state. For example, some state insurance offices work to keep rates affordable, but many properties near coastal regions or other catastrophe-prone areas have a much greater catastrophe risk. The potential financial impact is based on estimated differences between our proposed rates and the approved rates from state regulators. Currently, state regulators allow models calibrated to historical averages and do not consider forward-looking models when reviewing rates. The stated estimated impact range of $20 million to $40 million is for the potential impact of regulators not approving higher rates based on forward-looking climate models and approving lower rates based on historical averages, which may not properly reflect how climate change affects weather patterns.

Cost of response to risk
3500000

Description of response and explanation of cost calculation
The cost of management estimates the total shared costs for various business functions that support Risk 2, Risk 3, Opp. 1, and Opp. 2. This estimate represents a portion of our costs to run our legal, compliance, government relations, and actuarial teams. $3,500,000 is the mean of our $2 million to $5 million estimated range. Assurant works with state and national regulators, focusing especially on our relationships in areas facing elevated risk from climate change, such as those along the coasts, or national programs exposed to this risk, like FEMA. We believe engagement with regulators provides the best path to address climate-related risks while ensuring access to fair-priced insurance. We also offer lower insurance rates for structures that are built inland or adopt climate-resilient improvements as allowed by local regulations. As one of the largest flood insurance carriers for the U.S. government's NFIP, Assurant helps to educate FEMA and national legislators on flood catastrophe models and climate-related flood risk that may influence future policy. In all regulator outreach, Assurant stresses the need to accelerate insurance policy and products that incentivize lower-risk behaviour, like adopting climate resilient construction practices, and thus address an underlying cause of climate-related risk. In addition, the diversified composition of Assurant's business portfolio and locations helps to mitigate the impacts from risks associated with a single physical location or business line. As we continue to grow our businesses into new regions and markets, we further continue to further diversify our real estate portfolio.

Comment
N/A

Identifier
Risk 4

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact
Increased insurance claims liability

Climate risk type mapped to traditional financial services industry risk classification
Operational risk

Company-specific description
In Global Housing, our voluntary flood and property insurance is subject to a portion of this risk. Catastrophe losses, including human-made catastrophe losses, could materially reduce our profitability and have a material adverse effect on our results of operations and financial condition. Assurant assumes all risk and costs associated with primary (voluntary) flood insurance policies, unlike flood insurance issued under the NFIP. As climate change impacts precipitation and the likelihood for hurricanes and storms that lead to flooding, risk exposure on primary flood insurance increases. Along with this risk, the effects of climate change may increase the demand for primary flood insurance. In 2020, roughly 24 percent of Assurant's Global Housing segment revenue was from Specialty and Other products that included voluntary manufactured housing and other voluntary insurance like flood. As we continue expanding our flood insurance products, we face increasing exposure to properties with flood risk, which we try to limit with quota-share relationships where possible and overall, will continue to monitor to ensure appropriate protection as part of our annual catastrophe reinsurance program. Assurant faces additional risk exposure to properties in regions of the Caribbean and Latin America that also are impacted by climate change-related catastrophes. Regions with high population growth are also catastrophe-prone regions, such as Mexico. These countries are more likely affected by tsunamis, earthquakes and hurricanes and rely on different catastrophe modelling than the U.S. regions where we mainly operate.

Time horizon
Medium-term

Likelihood
Very unlikely

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
1150000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
In 2020, Assurant absorbed $137.2 million in total reportable catastrophe losses - We finalized our 2020 catastrophe reinsurance program with $1.15 billion in coverage, protecting more than 3 million homeowners and renters. To help verify the strength of the 2020 program, the Company tested the program against several of the most significant historical catastrophes dating back to the 1850s using an industry-leading catastrophe model. Through the testing, the model showed that if these events were to recur today (e.g., Hurricane Andrew, Hurricane Katrina or superstorm Sandy), Assurant's loss would be well within the U.S. catastrophe reinsurance program's limit. The potential financial impact is the cumulative coverage of our property catastrophe reinsurance program ($1.15 billion). This includes the U.S. main tower of $930 million and coverage provided by the Florida Hurricane Catastrophe Fund of $220 million. Actual reinsurance premiums will vary if exposure changes significantly from estimates or if reinstatement premiums are required due to catastrophe events.

Cost of response to risk
113600000

Description of response and explanation of cost calculation
Cost of management refers to Assurant's approximate catastrophe reinsurance premiums in 2020. The premiums paid are for the U.S. main tower ($97.5 million), the Florida Hurricane Cat Fund ($16.1 million), the Caribbean Cat treaty ($18.2 million), the Latin America Cat Treaty ($3.1 million) and the Multiline Property Per Risk ($3.6 million). Responsible risk sharing, largely from reinsurance, forms the foundation of Assurant's risk mitigation strategy. Assurant considers reinsurers as strategic partners and credits transparency to our strong relationships with more than 40 global firms. During 2020, the Puerto Rico earthquake produced gross losses to Assurant's Caribbean portfolio of $36 million, which was reduced to $15 million in net losses to Assurant due to the recoveries from the Caribbean Catastrophe treaty. Caribbean Cat coverage in place at the time of the loss was $175 million excess of $20 million, with coverage provided from over 30 global reinsurers. In addition, the diversified composition of Assurant's business portfolio helps to mitigate the impacts from risks associated with a single physical location or business line. As we continue to grow our businesses into new regions and markets, we continue to further diversify our real estate portfolio. Assurant purchases forward-looking catastrophe and storm models from several modelling agencies. Our in-house experts, including a meteorologist and catastrophe modellers also work with modelling agencies to help improve Assurant's models. Assurant employs a proprietary view of risk, which combines and adjusts results from several models to arrive at a comprehensive annual assessment of our climate-related risk, policy rates and reinsurance costs.

Comment
N/A

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Development of climate adaptation, resilience and insurance risk solutions

Primary potential financial impact
Other, please specify (Improved loss experience and potential to lower rates)

Company-specific description
We see an opportunity for new regulations and building codes that mitigate climate risk. This segment of Assurant's business, Global Housing, accounts for about 20 percent of 2020 revenue. Assurant works with state regulators and legislators on regulation to decrease property insurance rates for those homeowners that mitigate climate risk by living/building away from coasts, following modern building standards, and avoiding low-elevation areas. For example, state insurance regulatory departments could differentiate rates based on property locations and construction risk abatement. Also, individuals with flood insurance through FEMA's NFIP do not always receive credit for their climate risk mitigations. Currently, most of our international homeowners' policies offer discounts to customers who build with more resilient materials and install wind mitigation features. We have the opportunity in North America to provide differentiated prices where appropriate and become a leader in acknowledging and responding to these mitigation efforts. The differentiated pricing and incentive could lead to improved loss experience for Assurant and potential to lower rates for the homeowner.

Time horizon
Medium-term

Likelihood

Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
5000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Supporting new state regulations that reward climate risk mitigations may reduce our costs for reinsuring climate related risks. The stated potential financial impact of $5 million assumes improved building codes encourage better building practices, which generates a five percent improvement on losses in a year with $100 million of losses ($100 million x 0.05 = $5 million).

Cost to realize opportunity
3500000

Strategy to realize opportunity and explanation of cost calculation
The cost to realize this opportunity estimates the total shared costs for various business functions that support Risk 2, Risk 3, Opportunity 1, and Opportunity 2. This estimate represents a portion of our costs to run our legal, compliance, government relations, and actuarial teams. $3,500,000 is the mean of our $2,000,000 to $5,000,000 estimated range. Assurant works with state and national regulators, focusing especially on areas facing elevated risk from climate change, such as along the coasts, or national programs exposed to this risk, like FEMA. We believe engagement with regulators provides the best path to address climate-related risks while ensuring access to fair-priced insurance. We also offer lower insurance rates for structures that are built inland or adopt climate-resilient improvements as allowed by local regulations. We advocate for policies that help to mitigate climate-related risk. For example, insurance policies that incentivize lower risk behavior, like adopting climate resilient construction practices. We also work with state and local insurance departments to promote fair assessments of building construction that actively mitigate their properties' climate change risks. In addition, several Assurant employees serve on committees of the Insurance Institute for Business and Home Safety (IBHS), and we provide financial support through our company's membership to further research methods aimed at fortifying homes and improving flood resiliency.

Comment
N/A

Identifier
Opp2

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Markets

Primary climate-related opportunity driver
Access to new markets

Primary potential financial impact
Increased revenues through access to new and emerging markets

Company-specific description
As insurance companies increase their underwriting criteria and pricing of their insurance products in locations with exposure to catastrophes, many homeowners have trouble securing and maintaining affordable coverage. For many, relocating is not an option. We believe that with the right approach, we can provide insurance for consumers currently in homes susceptible to extreme weather while maintaining sound actuarial standards.

Time horizon
Medium-term

Likelihood
More likely than not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
7000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
In states or regions experiencing capacity restrictions on voluntary homeowner's insurance, it is possible that use of lender-placed insurance could increase. Areas with increased lender-placed insurance are typically also affected by consistent price increases from the NFIP. The stated potential financial impact of $7 million assumes we add $100 million in new premiums from states or regions experiencing capacity restrictions on voluntary homeowner's insurance and/or price increases from the NFIP.

Cost to realize opportunity
3500000

Strategy to realize opportunity and explanation of cost calculation
The cost to realize opportunity estimates the total shared costs for various business functions that support Risk 2, Risk 3, Opportunity 1, and Opportunity 2. This estimate

represents a portion of our costs to run our legal, compliance, government relations, and actuarial teams. $3,500,000 is the mean of our $2,000,000 to $5,000,000 estimated range. Through our lender-placed insurance products, which also serve to protect lenders, consumers are provided the opportunity to secure coverage when other options may not be available. Assurant is prepared and committed to remaining in catastrophe-prone areas we service. We take a long-term approach that is responsible to consumers, investors and society. We also educate consumers and regulators about the benefits of adopting climate-resilient improvements when constructing or repairing homes. To incentivize these behaviors, we offer discounts to those who have fortified their homes to mitigate the impacts of floods, hurricanes or other severe weather. Many of our homeowners policies offer discounts to customers who build with more resilient materials and install wind mitigation features.

Comment
N/A

Identifier
Opp3

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of more efficient production and distribution processes

Primary potential financial impact
Reduced direct costs

Company-specific description
In 2020, Assurant operated seven facilities that provided mobile phone repair and logistics services in the following locations: United States (3), Canada (1), United Kingdom (1), Australia (1), and South Korea (1). We recycle devices through certified partners, reused valuable materials, reducing the amount of e-waste we discard. In helping consumers protect their increasingly connected lives, Assurant processed 5.2 million mobile devices in 2020 repairing or reselling them while adhering to rigorous environmental practices. We also recycled one million mobile devices last year through certified partners, reusing valuable materials and reducing the amount of e-waste dumped in landfills. In 2020, Assurant mobile repair facilities recycled 87 percent of our total waste. Also, in 2021, Assurant continued to upgrade its mobile repair capabilities opening a new mobile care center in the UK. Total mobile devices processed and the facility count does not include HYLA Mobile as the acquisition was not completed until December 1st of 2020.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We do not have this figure at this time.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation
Our mobile repair facilities track monthly device reuse and recycle rates and landfill conversion rates. We also maintain ISO 14001 and ISO 9001 certifications at our Pennsylvania and newly acquired HYLA Mobile facility in Tennessee. Additionally, the UK location also maintains the ISO 14001 certification with work underway to also be ISO 9001 certified in 2021. By refurbishing mobile devices instead of simply providing replacements or selling components, we create a win-win-win for our business (reduced costs), clients (reduced costs and quick repair for their customers), and environment (decreased waste). We measure the percentage of units received from customers which go back to customers in good working condition. We use that information to look for opportunities to increase device repair rates, such as through battery replacements, to support our goals to increase device reuse rates and recycle more waste. During the past several years, we also have made significant investments in recycling processes and tools at our mobile device repair facilities to increase our landfill diversion rate. In 2020, Assurant mobile repair facilities recycled 87 percent of our total waste. We have also recently highlighted that over a multiyear period, Assurant’s mobile trade-in business has repurposed more than 100M devices which equates to diverting 20,412 metric tons of e-waste from landfills, offsetting 5.5M metric tons of CO_2 emissions and has resulted in improved connectivity globally for tens of millions of people who have benefited from the affordability of upgrading to higher-end smart phones.

Comment
We do not have an estimated cost to realize this opportunity at this time.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?
Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Is your organization's low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	No, and we do not intend it to become a scheduled resolution item within the next two years	

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
Other, please specify (Assurant Specific Scenarios)	As part of our CDP Response, we are including three scenarios to demonstrate how Assurant's property catastrophe reinsurance program would hypothetically work for a Florida-only event, Texas-only event and a multi-storm scenario. Assurant licenses both long- and short-term, forward-looking catastrophe and storm models from several modelling agencies that have additional settings that project a 5-year projection. We chose 5-year projections because many of our lender-placed distribution agreements are multi-year with terms generally between three and five years, therefore analysis taking into account our medium-term agreements will allow us to integrate aspects of the results into our agreements. Our in-house catastrophe modellers also work with modelling agencies to help improve their models. Assurant combines data and modelling from multiple vendors to form a proprietary view of the unique risks represented by Assurant's insurance portfolio. We use this tailored approach to annually assess our climate-related risk, policy rates and reinsurance costs. We selected these scenarios based in part on these catastrophe and storm models to demonstrate how severe storms may impact our Global Housing business in the short-term. Scenario One: A hurricane strikes only Florida and causes gross losses for Assurant of $700 million. We would expect this to result in a pre-tax net catastrophe loss of $80 million for Assurant before the impact of reinstatement premiums. Scenario Two: A hurricane strikes only Texas and causes gross losses for Assurant of $500 million. We would expect this to result in a pre-tax net catastrophe loss of $80 million for Assurant before the impact of reinstatement premiums. Scenario Three: Should the two storms above along with a third all occur in the same year and total $1.6 billion in losses, we would expect this to result in a pre-tax net catastrophe loss of $240 million for Assurant before the impact of reinstatement premiums. We annually update our Property Catastrophe Reinsurance Program, reducing financial exposure and protecting homeowner and renter policyholders against severe weather and climate-related events. The 2020 U.S. Program provides $930 million of coverage in excess of a $80 million retention per-event. When combined with the Florida Hurricane Catastrophe Fund, the program is covered for gross Florida losses of up to $1.15 billion. The above scenarios do not include the impact of reinstatement premiums. Actual results may differ materially from these examples. In early 2021, Assurant completed a TCFD-aligned climate risks and opportunities scenario analysis for ten of our most critical facilities around the world. The locations included headquarters, offices, and mobile repair facilities of strategic and geographic importance to Assurant and were sites were selected to maximize insights for Assurant's consideration of climate risks and opportunities within our own operations. Climate impacts for the selected locations were modelled under two different climate scenarios – one aligned with RCP 8.5 ("Business-as-usual") and one aligned with RCP4.5 ("lower-emissions scenario") – using a software tool along with input from Assurant. A range of physical and transition risks were evaluated under two different time horizons. The near-term time horizon represented potential impacts form 2020-2029 while the long-term time horizon represented potential impacts form 2030-2039. The initial results of this scenario analysis have been shared with key leaders in the organization, and we plan to evaluate them further in the future to help inform Assurant's climate-related risk and opportunity responses.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	High Risk Impact: Assurant faces the greatest risk exposure to climate change through our lender-placed, voluntary homeowners, and flood property insurance offerings, particularly in coastal regions prone to hurricanes. We continued to diversify our portfolio toward products and services with lower catastrophe exposure through the $2.5 billion acquisition of The Warranty Group (TWG) in 2018 and several mobile acquisitions over the years to build out our capabilities and ability to provide additional choice and convenience to the end-consumer. These acquisitions were part of a multiyear strategy to position ourselves for longer-term profitable growth by growing business where we can maintain or reach leading positions and achieve attractive returns, particularly in the Connected Living/mobile, Global Automotive and Multifamily Housing businesses. TWG expanded Assurant's size and scale within vehicle protection, extended service contracts and financial services; advancing our diversification and shift to capital-light and fee-based offerings that provide greater stability and predictability, and less climate-related risk. In 2020, we also proactively continued to prune overall catastrophe-exposed business including exiting small commercial which had more meaningful coastal exposure. Additionally, we took steps to pare back catastrophe-exposed busines in Latin America and the Caribbean in the first half of 2021. Overall, Assurant has grown its Connected World businesses (Connected Living/mobile, Global Automotive and Multifamily Housing) substantially over the last few years both organically and through M&A. These global businesses are higher growth, less capital intensive and little-to-no catastrophe-exposure. In 2020, Assurant continued to decrease its catastrophe-exposed businesses as a percentage of segment net operating income to 31%, down even further from 36% of Assurant's net operating income in 2018 and 54% in 2015. Assurant evaluates climate related risks and opportunities associates with products and services over the short, medium and long-term time horizons.
Supply chain and/or value chain	Yes	Low Risk Impact: We rely on numerous vendors and other third parties, including independent contractors, to conduct business and provide services to our clients. For example, we use vendors and other third parties for business, information technology, call centers, facilities management and other services. Since we do not fully control the actions of vendors and other third parties, we are subject to the risk that their decisions or operations adversely impact us and replacing them could create significant delay and expense. If a climate-related business continuity event impacts a vendor, we could experience interruptions to our operations or delivery of products and services to our customers, which could have a material adverse effect on our business, financial condition and results of operations. Assurant addresses business continuity and disaster recovery plans and protocols in its contracts with critical vendors by including language regarding our access to their business continuity and disaster recovery plans and protocols. We review these plans regularly and as part of our annual due diligence practices and facilitate exercises with them on how they should respond to an event and notify Assurant. In addition, our Supplier Code of Conduct notes that our suppliers should develop, implement and maintain environmentally responsible business practices and use their best efforts to reduce environmental impact when providing products and services to Assurant. We ask our suppliers to implement appropriate environmental management systems comparable with the requirements of ISO 140001-2015, encourage third-party certification of compliance and also encourage participation in the annual CDP Climate survey. Assurant evaluates climate related risks and opportunities associates with our supply chain over the short, medium and long-term time horizons.
Investment in R&D	Yes	Low Risk Impact. Investment in R&D helps us drive innovation throughout our lines of business and mitigate climate-related risks. Our Executive Vice President, Chief Strategy & Risk Officer oversees a team that works to foster innovative products and services throughout the enterprise. As a case study of these innovative products, Assurant has begun to offer new products through our Global Automotive business. Assurant provides administrative services for vehicle service contracts (VSCs) and ancillary products providing covering for vehicles. On January 1, 2019, car makers in China were required to sell a certain number of "New Energy Vehicles", defined as battery electrics, plug-in hybrids or fuel cell cars. The risks associated with this requirement were a reduced market for internal combustion vehicles that Assurant provides VSCs that may result in reduced revenue. Assurant also realized the opportunity capitalize on this sizable auto opportunity, including the growing electric vehicle market, to diversify our offerings and include VSCs for new energy vehicles. Assurant evaluated and quantified the risks of providing VSCs for new energy vehicles to price out new VSC products. This resulted in a partnership with a leading Chinese original equipment manufacturer to launch an extended warranty program catering to the electric-vehicle market. Our membership with the Insurance Institute for Business and Home Safety (IBHS) also provides financial support for research aimed at fortifying homes and improving flood resiliency. Additionally, in January 2020, Assurant partnered with The London Electric Vehicle Company (LEVC) to provide extended warranty solutions for their electric commercial vehicles. The new warranty proposition, LEVC One, will cover LEVC electric TX black cabs and VN5 electric van models, more than 4,000 vehicles that are on UK roads today, and will closely resemble the Original Equipment Manufacturer (OEM) initial offering. In 2021, this program was expanded to include Latin America and North America. Assurant also appointed a Chief Innovation Officer, in 2021, given the rapid convergence across our Connected World businesses, making a purposeful investment to better drive innovation. Assurant evaluates climate related risks and opportunities associates with R&D over the short, medium and long-term time horizons.
Operations	Yes	Low Risk Impact: By decreasing our energy and emissions throughout our value chain, Assurant can reduce our operating costs, enhance stakeholder relationships, and reduce our impact on climate change. Maintaining efficient operations also reduces the financial and operational risks posed by governments transitioning to low carbon economies, like a carbon tax or stricter environmental regulation. At an operational level, we set a goal to reduce energy consumption at our facilities by a minimum of 2 percent annually from 2009-2020. To achieve this goal, we invest steadily in energy-efficient lighting and HVAC systems and share best practices from successful facilities with other facility managers on a regular basis. In the past decade, we've cut our energy consumption by approximately 86 million kilowatt hours (kWh). When we expand our operations, we choose to do so in places that are less prone to physical climate risks. All new business deals go through a risk assessment process conducted by our Office of Risk Management. If a potential deal is impacted by climate-related issues, we evaluate it through climate models, conducting stress test scenarios. Our Office of Risk Management also evaluates the deal ensuring that reinsurance covers it commensurate with our risk appetite parameters. A recent M&A transaction was the 2020, $325 million acquisition of HYLA Mobile, through which we were able to double our device processing volumes and will be able to further the opportunity around extending mobile device life cycles and preventing unnecessary e-waste. Assurant evaluates climate related risks and opportunities associates with our operations over the short, medium and long-term time horizons.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Acquisitions and divestments Access to capital Assets Liabilities	Revenues - Low Risk Impact: We incorporate the FEMA program to discount customer flood insurance rates in communities that are taking action to mitigate long-term risks into our financial planning process. This incorporation helps us mitigate potential revenue risks associated with the NFIP's increasing debt. Unless FEMA adopts higher premiums that reflect increased climate-related risk and incentivizes risk reducing behaviors, like relocation or flood resilient construction, the NFIP's debt may restrict future claim reimbursements to insurers. At present, Assurant services the second largest number of policies in the WYO Program. Thus, any late, reduced, or denied repayment poses a risk to future profits. Direct Costs - We measure total energy consumption of most of our facility footprint and take steps to reduce our consumption. In the past decade, we've cut our energy consumption by approximately 86 million kilowatt hours (kWh) and in doing so saved more than $1.7 million dollars. Capital expenditures - Medium Risk Impact: Assurant initiated a leased site assessment (LSA) as the first step prior to signing or renewing any lease. As part of the LSA we assess site vulnerability to climate-related risks and extreme weather events to limit financial risk exposure associated with capital expenditures. Acquisitions and divestments - Low Risk Impact: Low Risk Impact: The diversified composition of Assurant's business portfolio and locations helps to mitigate the impacts from risks associated with a single physical location or business line. As we continue to grow our businesses into new regions and markets, continue to further diversify our real estate portfolio.. For example, on December 1st, 2020, Assurant completed the acquisition of HYLA Mobile, a leading global provider of lifestyle and housing solutions, which added another mobile repair facility in Nashville, Tennessee. While acquisitions can often add to our real estate portfolio, we are also continuously evaluating our real estate portfolio as it relates to our operations and how we best serve our clients and 300 million consumers worldwide. For Assurant, we are beginning to plan for a phased re-entry of our workforce post COVID-19 and we are evaluating our real estate footprint to align with new business and employee needs as we adapt to the future of work. For example, in 2020 we transitioned Woodbury, Minnesota, and Duluth, Georgia, locations to virtual to enable greater flexibility and began the process to significantly reduce our New York office footprint from 55,000 square feet to 11,000 square feet by midyear 2021. As we shut down or transition offices, we also have a process in place to ensure we properly dispose of office furniture and any excess technology. This was also recently done for the Woodbury and New York locations. For example, we look to redeploy furniture at another Assurant site, sell to a third party, donate to a charity or find ways for new tenants in the existing space to leverage in the future. Successfully moving roughly 80% of our workforce remote in 2020 due to the COVID-19 pandemic has served as an important impetus for further assessing the future of work and expect that we will evolve our footprint over time, aligning with our business and talent strategy and also taking into account climate change and related factors. Access to capital - As of December 31, 2020, we had approximately $407 million in holding company liquidity. We use the term "holding company liquidity" to represent the portion of cash and other liquid marketable securities held at Assurant, Inc., which we are not otherwise holding for a specific purpose as of the balance sheet date. We can use such liquidity for stock repurchases, stockholder dividends, acquisitions, and other corporate purposes. As part of Assurant's financial planning process and our ongoing efforts to incorporate climate-related risks into this process, Assurant maintains its targeted minimum level of holding company liquidity to $225 million. This minimum liquidity is intended to protect against unforeseen capital needs at our subsidiaries or liquidity needs at the holding company, including from large-scale climate-related risks, such as hurricanes. Assets -Low Risk Impact: Along with our third-party portfolio advisors, Assurant consistently looks to improve risk thinking and relative value analysis to enhance our portfolio performance. Improved understanding of ESG risk is no exception. As we move forward, we will continue to look for opportunities to incorporate enhanced ESG risk analysis, using both qualitative and quantitative approaches, into our overall investment process. Similarly, real estate investing, underwriting and decision making includes ESG risk consideration, and we will continue to look for metrics and approaches to enhance our analysis. Liabilities - Low Risk Impact: We have obligations and commitments to third parties as a result of our operations. Our liquidity and capital resources, as of December 31, 2020, are detailed in our 2020 Annual Report on pages 63 to 71. Liabilities for future policy benefits and expenses have been included in the commitments and contingencies table. Significant uncertainties relating to these liabilities include mortality, morbidity, expenses, persistency, investment returns, inflation, contract terms and the timing of payments. Climate Change may exacerbate many of these uncertainties, thus, it is critical that we stay abreast of any climate-related risk that may impact our liabilities.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

N/A

C-FS3.6

(C-FS3.6) Are climate-related issues considered in the policy framework of your organization?

No, but we plan to consider climate-related issues in our policy framework in the next two years

C-FS3.6c

(C-FS3.6c) Why are climate-related issues not considered in the policy framework of your organization?

Assurant recognizes the importance of considering ESG factors in our investments. Our portfolio management professionals and our third-party asset managers integrate ESG considerations into due diligence, monitoring and investment decision-making. Where relevant and appropriate, we aim to achieve a lower overall portfolio exposure to industries and companies with high-risk environmental issues and target higher allocations to companies and issuances that demonstrate enhanced environmental, social and sustainability attributes.

In the second quarter of 2020, Assurant finalized the strategic decision to outsource the day-to-day management of our investment portfolio and as a result, now has three core global asset firms managing the portfolio. Assurant is working with these third-party asset managers on an Environmental, Social, Governance (ESG) implementation plan that includes climate-related actions aligned with our investment strategy.

In early 2021, Assurant committed to implement exclusionary screening mandates for its core fixed income portfolios managed by large institutional money managers across a range of ESG criteria, including certain climate-related criteria with implementation expected in the second half of 2021. These asset firms manage 97% of our core fixed income and equity portfolio and exclusions will be based on revenue targets for new money investments using certain environmental and social criteria. We will continue to monitor these exclusions as they relate to new money investments and also look to track and assess our GHG emissions from our investment portfolio as we continue to evolve our approach to responsible investing.

C-FS3.7

(C-FS3.7) Are climate-related issues factored into your external asset manager selection process?

Yes, for some assets managed externally

C-FS3.7a

(C-FS3.7a) How are climate-related issues factored into your external asset manager selection process?

	Process for factoring climate-related issues into external asset management selection	Comment
Row 1	Review asset manager's climate-related policies	As part of the diligence of any new investment managers, Assurant will review the potential manager's ESG policies and practices.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Year target was set
2019

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 2 (location-based)

Base year
2019

Covered emissions in base year (metric tons CO2e)
21918

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2020

Targeted reduction from base year (%)
2

Covered emissions in target year (metric tons CO2e) [auto-calculated]
21479.64

Covered emissions in reporting year (metric tons CO2e)
16428

% of target achieved [auto-calculated]
1252.3952915412

Target status in reporting year
Achieved

Is this a science-based target?
No, but we anticipate setting one in the next 2 years

Target ambition
<Not Applicable>

Please explain (including target coverage)
At Assurant, we aim to identify, monitor and report our relevant energy consumption and greenhouse gas (GHG) emissions and improve our energy and emissions intensity. At an operational level, we set a goal to reduce energy consumption by 20% by 2020 compared to a 2010 baseline. We achieved this goal in 2019, and we are currently in the process of developing a new emissions goal. In the interim, we have set a goal to continue to reduce scope 2 (location based) emissions by 2% per year.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	9	242
To be implemented*	9	415
Implementation commenced*	10	169
Implemented*	18	378
Not to be implemented	1	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
306

Scope(s)
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
12000

Investment required (unit currency – as specified in C0.4)
20000

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment
Assurant completed a Technology LED lighting upgrade at the Miami corporate office during 2020, replacing existing florescent lighting in the building.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Efficiency upgrades)

Estimated annual CO2e savings (metric tonnes CO2e)
72

Scope(s)
Scope 1
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
7167

Investment required (unit currency – as specified in C0.4)
12000

Payback period
1-3 years

Estimated lifetime of the initiative
16-20 years

Comment
Assurant made a variety of efficiency upgrades in 2020 including data center optimization projects, adjusting occupancy set points and installing automatic lighting timers.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	We invest steadily in energy-efficient lighting and HVAC systems and share best practices from successful facilities with other facility managers on a regular basis.
Compliance with regulatory requirements/standards	Maintaining efficient operations reduces the financial and operational risks posed by governments transitioning to low carbon economies (e.g., a carbon tax or stricter environmental regulation).

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?
No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
2014

Comment
We have recalculated our 2019 scope 1 emissions to include emissions from natural gas consumption at owned and leased facilities (where available) in our scope 1 emissions calculation. Previously emissions from natural gas had been included in scope 2 emissions calculations.

Scope 2 (location-based)

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
21918

Comment
We have recalculated our 2019 scope 2 (location-based) emissions to exclude emissions from natural gas consumption at owned and leased facilities (where available) from our scope 2 emissions calculation. Previously emissions from natural gas had been included in scope 2 emissions calculations.

Scope 2 (market-based)

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
22292

Comment
We have recalculated our 2019 scope 2 (market-based) emissions to exclude emissions from natural gas consumption at owned and leased facilities (where available) from our scope 2 emissions calculation. Previously emissions from natural gas had been included in scope 2 emissions calculations.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
1128

Start date
<Not Applicable>

End date
<Not Applicable>

Comment
N/A

C6.2

(C6.2) Describe your organization’s approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment
N/A

C6.3

(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
16428

Scope 2, market-based (if applicable)
16665

Start date
<Not Applicable>

End date
<Not Applicable>

Comment
N/A

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source
Natural gas emissions

Relevance of Scope 1 emissions from this source
Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source
No emissions excluded

Relevance of market-based Scope 2 emissions from this source (if applicable)
No emissions excluded

Explain why this source is excluded
Natural gas emissions for owned and large leased facilities where data are available are included in scope 1 emissions. For many of Assurant's leased facilities, it is unknown if the facility uses natural gas, and therefore emissions were not calculated due to insufficient data. We aim to strengthen collection of these data in future cycles.

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Metric tonnes CO2e
297925

Emissions calculation methodology
Emissions were calculated using the spend-based method. Emissions calculated for this category cover procurement spend from the U.S., Canada and the United Kingdom. Spend was aggregated at the sub-category level and assigned as either goods or services spend based on GL account coding. These categories were mapped to the US EPA Supply Chain Emissions for Commodities and adjusted for inflation. Emissions per category were calculated based on this mapping and the associated EPA emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Assurant is able to easily access spend data for the majority of the company through centralized procurement. This spend data is used as a proxy for emissions associated with goods and services.

Capital goods

Evaluation status
Relevant, calculated

Metric tonnes CO2e
5135

Emissions calculation methodology
Emissions were calculated using the spend-based method. Emissions calculated for this category cover procurement spend from the U.S., Canada and the United Kingdom. Spend was aggregated at the sub-category level and assigned as either goods or services spend based on GL account coding. These categories were mapped to the US EPA Supply Chain Emissions for Commodities and adjusted for inflation. Emissions per category were calculated based on this mapping and the associated EPA emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Assurant can easily access spend data for the majority of the company through centralized procurement. This spend data is used as a proxy for emissions associated with capital goods.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Metric tonnes CO2e
941

Emissions calculation methodology
Emissions associated with transmission and distribution losses were estimating using Assurant's total electricity consumption and the U.S. EPA T&D loss rate for U.S. locations and the World Bank T&D loss rates for all other countries.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Assurant recognizes that there are emissions associated with energy loss while electricity is being delivered to our facilities.

Upstream transportation and distribution

Evaluation status
Relevant, calculated

Metric tonnes CO2e
5040

Emissions calculation methodology
Spend on logistics and small parcel services was used to calculate emissions for this category. Spend was aggregated at the sub-category level and assigned as either goods or services spend based on GL account coding. These categories were mapped to the US EPA Supply Chain Emissions for Commodities and adjusted for inflation. Emissions per category were calculated based on this mapping and the associated EPA emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Assurant estimates that much of our emissions associated with upstream transportation come from small parcel service, such as with FedEx.

Waste generated in operations

Evaluation status
Relevant, calculated

Metric tonnes CO2e
1410

Emissions calculation methodology
Assurant estimated emissions related to waste in operations using source data from nine office locations in addition to our mobile repair facilities globally. For waste generated in the U.S., EPA emission factors were used. For waste generated at facilities outside the U.S., DEFRA emission factors were used.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Assurant facilities generate waste in the normal course of operations.

Business travel

Evaluation status
Relevant, calculated

Metric tonnes CO2e
1866

Emissions calculation methodology
Scope 3 emissions in this category include those generated by the transportation of employees for business-related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars. Emissions for this category were calculated using a combination of the spend-based and distance-based method. For air travel originating North America, U.S. EPA emissions per mile were used. For air and rail travel originating in the U.K., DEFRA emissions per mile were used. Spend data was used to estimate emissions associated with car rental, hotels and rail in the U.S. using EPA EEIO emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
The reported business travel emissions cover rental car, hotel stays air travel and rail travel booked through our top travel partners in the U.S., Mexico, Puerto Rico, Canada and the UK. Business travel emissions were nearly 86% lower in 2020 compared to 2019, predominantly due to the impacts of the COVID-19 pandemic as the majority of employees moved to virtual/work-from-home arrangements for 10 months of the year.

Employee commuting

Evaluation status
Relevant, calculated

Metric tonnes CO2e
3281

Emissions calculation methodology
Data on the percentage of employee commuting by type (e.g., driving alone, carpooling) by state in the U.S. was sourced from a 2018 U.S. Census. This data was used along with EPA emission factors for employee commuting and multiplied by the number of Assurant employees by U.S state for those employees who work in an office (rather than virtually). Nearly three quarters of Assurant’s non-virtual employees are based in the U.S., so U.S. Census data and EPA emission factors were used for calculating employee commuting emissions based on U.S. headcount, and data was extrapolated using the percentage of employees outside of the U.S. to determine an estimate for emissions related to employee commuting globally. We estimate that roughly 20% of Assurant's workforce was considered essential workers in 2020 and therefore continued to commute throughout the COVID-19 pandemic. The remaining 80% of employees began working from home in mid-March 2020, or roughly 80% of the year.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Assurant recognizes that there are emissions associated with employees commuting to work. Emissions for this category are not representative of the future due to impacts of the COVID-19 pandemic on our operations and work arrangements. We estimate that emissions from employee commuting are likely around 65% lower in 2020 than in a regular year, since roughly 80% employees were working remotely for about 80% of the year.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Assurant does not have any additional upstream leased assets that would not be included in scope 1 emissions.

Downstream transportation and distribution

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Assurant has not identified a reasonable means to track or estimate this source of emissions.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Assurant does not sell products that are further processed.

Use of sold products

Evaluation status
Relevant, calculated

Metric tonnes CO2e
24301

Emissions calculation methodology
Emissions for this category were calculated by multiplying the total number of phones sold in 2020 by the average electricity consumption and lifespan of a cell phone. The energy use in kWh was converted to emissions using the 2019 eGRID average factor for the U.S. Average electricity use per phone was sourced from a report on the life cycle of mobile phones. Data on the average lifespan of a mobile phone was sourced from a 2016 EPA report.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Assurant sells refurbished phones into the market, which use electricity when used by consumers.

End of life treatment of sold products

Evaluation status
Relevant, calculated

Metric tonnes CO2e
619

Emissions calculation methodology
Emissions for this category were calculated assuming that that all phones sold into the market are recycled at the end of life. Additionally, Assurant sells phones to be scrapped for recycling. For phones sold in the U.S., EPA emission factors for waste were used. For phones sold outside the U.S., DEFRA emission factors for waste were used.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Assurant assumes that all phones sold into the market are recycled at the end of life. Additionally, Assurant sells phones to be scrapped for recycling.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Assurant does not own assets that we lease to other entities.

Franchises

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Assurant has a small franchising business through our CPR mobile retail segment. However, at this time we do not have a way to collect emissions data from franchises.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Assurant does not have any other upstream assets.

Other (downstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Assurant does not have any other downstream assets.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.0000017

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
17556

Metric denominator
unit total revenue

Metric denominator: Unit total
10094000000

Scope 2 figure used
Location-based

% change from previous year
50.3

Direction of change
Decreased

Reason for change
We reported roughly the same revenue in 2020 as in 2019, but reported 6,376 MT fewer emissions in 2020 than 2019. Decreased emissions were mainly due to impacts related to COVID-19.

Intensity figure
0.00698809

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
17556

Metric denominator
square foot

Metric denominator: Unit total
2512261

Scope 2 figure used
Location-based

% change from previous year
33.5

Direction of change
Decreased

Reason for change
Our total emissions decreased by 6,376 MT in 2020 compared to 2019, largely due to impacts related to COVID. At the same time, our square footage stayed roughly the same in 2020 compared to 2019. While we experience emissions reductions related to remote working as a result of COVID, roughly 20% of Assurant's workforce are considered essential workers and therefore several of our facilities, including our mobile repair facilities and call centers, remained fully operational during 2020. Therefore, our emissions may not have dropped as significantly as other insurance providers whose workforces may not include essential workers. Additionally, although many of Assurant's offices were not occupied during 2020, those buildings still required energy for basic functioning like heating, ventilation and air conditioning.

C7. Emissions breakdowns

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?
Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	Assurant did not purchase any renewable energy in 2020.
Other emissions reduction activities	378	Decreased	1.6	In 2020, we implemented a variety of emissions reductions activities across our operations, including lighting upgrades building sensors. These initiatives resulted in a reduction in Scope 1 and Scope 2 emissions of 378 MT CO2e. Assurant's 2019 Scope 1 and 2 emissions were 23,932 MT CO2e. Therefore, Assurant calculated a -1.6% reduction (-378/23,932 = -1.6%).
Divestment	0	No change	0	Assurant did not divest any business lines in 2020.
Acquisitions	437	Increased	1.8	Assurant closed a number of deals to acquire new companies in 2020, including American Financial and Automotive Services (AFAS) in May 2020 (two new facilities); HYLA in December 2020 (five facilities) and EPG in December 2020 (one facility). While these facilities were not part of Assurant's portfolio for all of 2020, we estimate that Scope 2 emissions from these facilities during the portion of 2020 during with they were under Assurant's operational control was 437 MT CO2e. Assurant's 2019 Scope 1 and 2 emissions were 23,932 MT CO2e. Therefore, Assurant calculated a 1.8% increase (-437/23,932 = 1.8%).
Mergers	0	No change	0	Assurant did not complete any mergers in 2020.
Change in output	5295	Decreased	22.1	All of Assurant's professional offices were almost completely unoccupied for the majority of 2020 due to the impacts of COVID-19 and roughly 80% of employees working remotely starting in mid-March. Although these facilities still consumed energy for basic operations (HVAC, ventilation, etc.), the same level of energy was not required to run these offices in 2020. We estimate that Assurant's emissions were reduced by about 30%, or 5,295 MT CO2e, as a result. Assurant's 2019 Scope 1 and 2 emissions were 23,932 MT CO2e. Therefore, Assurant calculated a -22.1% reduction (-5,295/23,932 = -22.1%).
Change in methodology	1022	Decreased	4.3	In 2020, Assurant used updated emissions factors from EPA's eGrid 2019 factors (released February 2021) and IEA emission factors (released in September 202). This resulted in a 1,022 MT CO2e reduction in Scope 2 emissions compared to using the previous emission factors. Assurant's 2019 Scope 1 and 2 emissions were 23,932 MT CO2e. Therefore, Assurant calculated a -4.3% reduction (-1,022/23,932 = -4.3%). In addition, we updated our methodology for how we account for emissions associated with natural gas consumption at leased facilities. Assurant accounted for these emissions as a Scope 2 source in our 2019 GHG inventory, but we have updated our methodology to account for emissions associated with natural gas consumption at leased facilities as Scope 1 emissions. This does not change our total emissions for 2020, but does cause an increase in Scope 1 emissions and decreased in Scope 2 emissions compared to 2019.
Change in boundary	0	No change	0	No change in 2020.
Change in physical operating conditions	0	No change	0	No change in 2020.
Unidentified	0	No change	0	No change in 2020.
Other		<Not Applicable>		N/A

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	1922	1922
Consumption of purchased or acquired electricity	<Not Applicable>	0	42284	42284
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	0	44206	44206

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Assurant 2020 CDP Verification Statement.pdf

Page/ section reference
1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Assurant 2020 CDP Verification Statement.pdf

Page/ section reference
1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Assurant 2020 CDP Verification Statement.pdf

Page/ section reference
1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Purchased goods and services

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Assurant 2020 CDP Verification Statement.pdf

Page/section reference
1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Capital goods

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Assurant 2020 CDP Verification Statement.pdf

Page/section reference
1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Business travel

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Assurant 2020 CDP Verification Statement.pdf

Page/section reference
1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Use of sold products

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Assurant 2020 CDP Verification Statement.pdf

Page/section reference
1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?
No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our customers

Yes, our investee companies

Yes, other partners in the value chain

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Other, please specify (Engage with customers to provide updated information about our climate change strategy and performance.)

% of customers by number

11.5

% of customer - related Scope 3 emissions as reported in C6.5

10

Portfolio coverage (total or outstanding)

Minority of the portfolio

Please explain the rationale for selecting this group of customers and scope of engagement

We educate customers in our Global Housing segment about the benefits of adopting climate-resilient improvements when constructing or repairing homes. We have selected this group of customers to target, which represents roughly 11.5% of Assurant's total customers across business lines, since they have the greatest exposure to negative financial impacts related to climate events such as hurricanes. To incentivize these behaviors, we offer discounts to those who have fortified their homes to mitigate the impacts of floods, hurricanes or other severe weather. Most of our international homeowner policies offer discounts to customers who build with more resilient materials and install wind mitigation features. For example, through the Community Ratings System of the Federal Emergency Management Agency (FEMA), we can discount flood insurance rates if the customer lives in a community that is taking action to mitigate long-term risks. We also offer index-based insurance in certain geographies susceptible to climate change to protect consumers who are indirectly affected by extreme weather events. Index-based insurance provides coverage to businesses that are indirectly impacted by climate change, such as a business owner whose surrounding neighborhood was damaged during a natural disaster.

Impact of engagement, including measures of success

We monitor and measure success by the adoption rate and overall percentage of home insurance policies that take advantage of our climate-resilience discounts or credits. Another related measure of success is our yearly premiums for the property catastrophe reinsurance program. Adopting climate resilience improvements may reduce catastrophe claims, which may reduce business travel emissions related to servicing those claims. We estimate a long-term average of 5 to 15 percent of Scope 3 emissions reported in C6.5 are attributed to business travel related to catastrophe claims based on the severity weather in the year. However, in 2020, we did not need to deploy our field staff adjusters to any major catastrophe event and therefore there were no additional travel expenses for this.

C-FS12.1c

(C-FS12.1c) Give details of your climate-related engagement strategy with your investee companies.

Type of engagement

Information collection (Understanding investee behavior)

Details of engagement

Collect climate change and carbon information at least annually from long-term investees

% of investees by number

85

% Scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

100

Portfolio coverage

Majority of the portfolio

Rationale for the coverage of your engagement

The holdings managed by our three asset managers represent 97% of our core fixed income and equity portfolio.

Impact of engagement, including measures of success

We regularly discuss the embedded risks within our portfolio with our asset managers as we embed ESG factors into our exclusionary and benchmarking screening criteria. Through these planned exclusionary criteria, we will consider the climate change performance of investees within potential new portfolio holdings.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Assurant works with state and federal regulators, focusing especially on our relationships in areas facing elevated risk from climate change, such as those along the coasts, or national programs exposed to this risk, like FEMA. We believe engagement with regulators provides the best path to address climate-related risks while ensuring access to fair-priced insurance. We also offer lower insurance rates for structures that are built inland or adopt climate-resilient improvements as allowed by local regulations.

Our approach to regulatory engagement advocates for policies that help to mitigate climate-related risk. For example, we work with regulators to incentivize lower risk behaviors, such as adopting climate-resilient construction practices. Assurant has a meteorologist on our claims and operations team who visits communities after catastrophes, such as hurricanes and flooding, to learn about the disaster's impact on local communities. These learnings are communicated to regulators and other decision-makers, as well as the Institute for Business and Home Safety (IBHS), to influence future building codes, laws and regulations to support climate-resilient communities and avoid future losses. We also work closely with state and local insurance departments to promote fair assessments of building construction that actively mitigate their properties' climate change risks.

In addition, we offer policies that have an impact on whether people build in high-risk areas, such as a flood-plain or other catastrophe-prone areas. We believe that by pricing insurance policies to include the cost of climate-related impacts, we can reduce risk behavior, influencing the market and reducing our and our partners' risk. For example, we offer insurance policies that incentivize lower risk behaviors, like adopting climate resilient construction practices.

Our Supplier Code of Conduct requires that our suppliers adhere to applicable laws and regulations related to chemicals, waste management, recycling, water, and air emissions. The Supplier Code of Conduct also requires suppliers to develop, implement, and maintain environmentally responsible business practices and use their best efforts to reduce environmental impact when providing products and services to Assurant.

We also work with non-profits (trade and professional organizations) to bolster understanding of the climate change issues impacting our business. Several of our employees serve on committees of the IBHS and our company's membership provides financial support to advance research methods aimed at fortifying homes and improving flood resiliency.

Our diversified portfolio helps us mitigate impacts from climate-related risks associated with a single physical location or business line. Assurant combines after-market data on lender-placed properties with projections from catastrophe models to manage internal risk exposure and to share with reinsurers. In 2020, we finalized our property catastrophe reinsurance program with more than 40 reinsurers that are all rated A- or better by A.M. Best.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers
Trade associations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Adaptation or resilience	Support with minor exceptions	Assurant encourages Congress and FEMA to adopt an NFIP reauthorization that includes flood mitigation solutions and solutions for properties that experience repetitive flood loss. Assurant also engages Congress and FEMA to ensure the NFIP's mapping and flood insurance rates will be actuarily to ensure communities can properly assess and engage in infrastructure planning to respond to their true flood risk. Assurant engaged the Federal Housing Administration to request that private flood insurance be allowed to satisfy lending requirements for properties in Special Flood Hazard Areas.	Assurant supports an actuarily sound NFIP and a private insurance market to encourage innovation and market solutions that incentivize homeowners and communities to adopt resiliency measures. Assurant also continues to support providing federal grants to help communities eliminate the long-term risk of flood damage due to severe repetitive loss.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association
The Business Roundtable

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
As is stated on their website: "Business Roundtable believes corporations should lead by example, support sound public policies and drive the innovation needed to address climate change. To this end, the United States should adopt a more comprehensive, coordinated and market-based approach to reduce emissions. This approach must be pursued in a manner that ensures environmental effectiveness while fostering innovation, maintaining U.S. competitiveness, maximizing compliance flexibility and minimizing costs to business and society. International cooperation and diplomacy backed by a broadly supported U.S. policy will be the key to achieving the collective global action required to meet the scope of the challenge and position the U.S. economy for long-term success."

How have you influenced, or are you attempting to influence their position?
Assurant supported the BRT's adoption of a policy goal to reducing net U.S. GHG emissions by at least 80 percent from 2005 levels by 2050. We also provided our feedback to the BRT in 2021 when drafting their letter to the Securities and Exchange Commission regarding enhanced climate disclosures. Assurant position is consistent with BRT's and we support enhanced disclosures, where meaningful.

Trade association
The American Property Casualty Insurance Association

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
APCIA's Board of Directors adopted and endorsed the following Environmental Core Principles: • Risk mitigation must continue to be a shared priority. • Insurers have a unique role in facilitating a more environmentally resilient economy by making capital and protection available to industries as they transition to a lower carbon future. • Insurers should be proactively engaged in efforts to address long-term weather-related losses. • Insurers should consider what existing information can be disclosed as voluntary alternatives to regulation. • Environmental policies and actions should be science-based, provide benefits that outweigh costs, and contribute to job creation and economic growth. • While voluntary actions are preferred, any regulation with regard to environmental issues should be proportional and flexible (not one size-fits-all), be based on materiality and respect confidentiality. • Environmental risk-based pricing should be protected. • Regulators should fully support environmental innovation and modeling for insurance.

How have you influenced, or are you attempting to influence their position?
Assurant provided our feedback to the APCIA in 2021 when drafting their letter to the Securities and Exchange Commission regarding enhanced climate disclosures. Our position is consistent with APCIA. Specifically, Assurant supports enhanced disclosures where meaningful, and the letter appropriately notes that property and casualty insurers already have significant experience in assessing climate risk.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

The Chief Strategy and Risk Officer, Chief Administrative Officer and Chief Financial Officer, who each report directly to our CEO, oversee functions responsible for climate-related actions, policies, and risk mitigation and management. Risk Management coordinates our risk management activities and is headed by our Global Head of Risk, who reports to the Chief Strategy and Risk Officer. Climate-related issues inherent in Assurant's property insurance writings are monitored by the Reinsurance Risk Committee (RRC), which reports into the Enterprise Risk Committee (ERC), and subsequently the Finance & Risk Committee of the Board. Quarterly updates from the Chief Strategy and Risk Officer to the ERC include the company's risk appetite related to reinsurance, changes to catastrophic risk, and material climate-related issues in catastrophe-prone areas where Assurant does or plans to conduct business. The ERC includes members of Assurant's Management Committee, Risk Management leadership, and leaders of certain functional support areas of the company, and 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.

Additionally, the Chief Administrative Officer provides periodic updates to the Nominating and Corporate Governance Committee of the Board (the "Committee"), which has direct oversight of Assurant's ESG matters and strategy.

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In voluntary sustainability report

Status
Complete

Attach the document
2021 Assurant Social Responsibility Report.pdf

Page/Section reference
Pages 12, 19-21, 32-36

Content elements
Governance
Strategy
Other, please specify (Physical Risks, Risk Management, Metrics)

Comment
Our most recent Social Responsibility report outlines our commitment to managing GHG emissions and climate-related risks.

Publication
In voluntary sustainability report

Status
Complete

Attach the document
2021 Assurant Social Responsibility Report - TCFD Index.pdf

Page/Section reference
Whole document

Content elements
Governance
Strategy
Risks & opportunities

Comment
The TCFD Index from our most recent social responsibility report covers Assurant’ governance, strategy and risk management approach, and metrics and targets related to, climate-related risks.

C-FS12.5

(C-FS12.5) Are you a signatory of any climate-related collaborative industry frameworks, initiatives and/or commitments?

	Industry collaboration	Comment
Reporting framework	Please select	We are not a signatory of any climate-related industry reporting frameworks at this time.
Industry initiative	Please select	We are not a signatory of any climate-related industry initiatives at this time.
Commitment	Please select	We are not a signatory of any climate-related industry commitments at this time.

C14. Portfolio Impact

C-FS14.1

(C-FS14.1) Do you conduct analysis to understand how your portfolio impacts the climate? (Scope 3 portfolio impact)

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Comment
Bank lending (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Yes	Alternative carbon footprinting and/or exposure metrics (as defined by TCFD	N/A
Insurance underwriting (Insurance company)	Not applicable	<Not Applicable>	N/A
Other products and services, please specify	Not applicable	<Not Applicable>	N/A

C-FS14.1a

(C-FS14.1a) What are your organization’s Scope 3 portfolio emissions? (Category 15 “Investments” total emissions)

Category 15 (Investments)

Evaluation status
Relevant, not yet calculated

Scope 3 portfolio emissions (metric tons CO2e)
<Not Applicable>

Portfolio coverage
<Not Applicable>

Percentage calculated using data obtained from client/investees
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Please explain
In 2020, we sought measurement of the financed emissions of our investment portfolio for the first time through our asset managers. Assurant’s invested asset portfolio is primarily invested in core fixed maturity and equity securities which make up 88% of total investments and are managed by external asset managers. The remaining 12% of total investments includes commercial mortgages, short-term, and other investments. Each core asset manager calculated a portfolio weighted average carbon intensity, per the approach outlined in C-FS14.1b. Asset classes which were included for analysis included corporate bonds and credit, listed equities, and sovereign bonds. Emissions data for municipal bonds was not widely available, as such, these holdings were not included at this time. Securitized commercial mortgage loan (CML) securities and currency-derivative positions were also not considered for evaluation.

C-FS14.1b

(C-FS14.1b) What is your organization’s Scope 3 portfolio impact? (Category 15 “Investments” alternative carbon footprinting and/or exposure metrics)

Metric type
Weighted average carbon intensity

Metric unit
tCO2e/$M revenue

Scope 3 portfolio metric
399.5

Portfolio coverage
More than 80% but less than or equal to 90%

Percentage calculated using data obtained from clients/investees
75.4

Calculation methodology
Our portfolio Weighted Average Carbon Emissions Intensity by Capital was calculated based on the carbon intensity for each portfolio company and calculating a weighted average by portfolio weight. The ‘Carbon intensity’ for each company is defined as the company's most recently reported or estimated Scope 1 + Scope 2 greenhouse gas emissions normalized by sales in USD. ‘Percentage calculated using data obtained from clients’ reflects the availability of emissions data for each issuer aggregated up to the manager-level (as provided by our asset managers), then weighted by each asset manager’s portfolio value at year-end 2020.

Please explain
Assurant’s invested asset portfolio is primarily invested in core fixed maturity and equity securities which make up 88% of total investments and are managed by external asset managers. The remaining 12% of total investments includes commercial mortgages, short-term, and other investments.

C-FS14.2

(C-FS14.2) Are you able to provide a breakdown of your organization's Scope 3 portfolio impact?

	Scope 3 breakdown	Comment
Row 1	None of the above, but we plan to do this in the next 2 years	We are evaluating opportunities for further breaking down our scope 3 portfolio impact in the future.

C-FS14.3

(C-FS14.3) Are you taking actions to align your portfolio to a well below 2-degree world?

	We are taking actions to align our portfolio to a well below 2-degree world	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	No, but we plan to do so in the next two years	In the second quarter of 2020, Assurant finalized the strategic decision to outsource the day-to-day management of our investment portfolio and as a result, now has three core global asset firms managing the portfolio. Assurant is working with these third-party asset managers on an Environmental, Social, Governance (ESG) implementation plan that includes climate-related actions aligned with our investment strategy. In early 2021, Assurant sent a formal request to each of our three third-party asset managers requesting emissions data associated with Assurant's portfolio in additional to information about how each asset manager is assessing and incorporating climate risk and ESG into product or investment strategy decisions. As part of quarterly reviews with the asset managers, the investment team engages in discussion on relevant ESG topics. We intend to issue the formal request for climate-related data/information on an at least annual basis going forward. For certain investment grade fixed income assets, our asset managers are able to offer additional insights into the climate-related risks of our portfolio including for example, analysis of the portfolio's temperature rating to 2050, percentage of holdings with Science-Based Targets, and percentage of holdings which are Paris Aligned per the Transition Pathway Initiative (i.e. a pathway to 2C or below by 2050). Some asset managers are able to provide information on the temperature rating of our portfolio, and we will look to expand our coverage of this information in the coming years, to inform our decision-making. This ESG investment model is part of a multi-step ESG strategic integration plans underway for 2020 and beyond. Additionally, Assurant's Investment Management Committee, provides a forum for ESG topics related to the investment portfolio to be discussed, and has committed to implement exclusionary screening mandates for its core fixed income portfolios managed by large institutional money managers across a range of ESG criteria including certain climate-related factors with implementation expected in the second half of 2021.
Insurance underwriting (Insurance company)	Not applicable	N/A
Other products and services, please specify	Not applicable	N/A

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

N/A

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	10094800000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	US	04621X1081

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

N/A

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	In our Lifestyle business, Assurant operates two repair locations in the United States that track Scope 1 and 2 emissions, but do not yet track Scope 3 emissions or allocate emissions for each unit repaired. We cannot allocate Scope 1 and 2 emissions to specific device types because electricity and natural gas are metered as a facility, not a repair station. Instead, we allocate Scope 1 and 2 emissions by aggregating the total emissions from each repair facility by the percent of customer units serviced at that location. Assurant is exploring methods to track and allocate the Scope 3 emissions associated with our mobile repair facilities, but the diversity of product lines and customers complicates accurately accounting emissions for each product line and customer. By refurbishing mobile devices instead of simply providing replacements or selling components, we create a win-win-win for our business, clients, and environment. We measure the percentage of units received from customers, which go back to customers in good working condition. We use that information to look for opportunities to increase device repair rates, such as through battery replacements, to support our goals to increase device reuse rates and recycle more waste. In 2020 Assurant processed nearly 5.2 million mobile devices for repair or resale. We also recycled more than one million mobile devices. We do not yet track avoided emissions from repairing and recycling phones, but these activities offer significant environmental benefits by extending the usable life of mobile devices and reducing the raw materials, chemicals and electricity used to manufacture mobile devices. In our Global Housing and Global Preneed business lines, Assurant tracks Scope 1 and 2 emissions within our operational control. We breakdown Scope 1 and 2 emissions by business division and country in Module C7, Emissions Breakdown, but we have not identified a reasonable method to accurately allocate emissions to specific Housing or Preneed customers.
Customer base is too large and diverse to accurately track emissions to the customer level	Assurant can work with customers to estimate emissions estimates based on volume or revenue.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Although we welcome opportunities to collaborate with our customers to reduce GHG emissions or promote products and services that mitigate climate-related risks, our customer base is too large and range of services too diverse to reasonably track and allocate emissions to individual customers. Assurant will continue to track and disclose our relevant Scope 1, 2, and 3 emissions. We measure the percentage of units received from customers that are repaired and returned in good working condition. We use that information to look for opportunities to increase device repair rates while supporting our goals of increasing device reuse rates and recycling of waste. Our mobile operations repaired nearly 5.2 million devices in 2020. During the past several years, we also have made significant investments in recycling compactors at our mobile device repair facilities to increase our landfill diversion rate. In 2020 our mobile repair facilities recycled more than 87% of total waste. Where feasible, we will estimate emissions to individual customers, but we do not plan to develop new capabilities to allocate emissions to our customers.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

Please select

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below

I have read and accept the applicable Terms