

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549
FORM 10-Q

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended March 31, 2024

OR

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from _____ to _____

Commission file number 001-31978

Assurant, Inc.

(Exact name of registrant as specified in its charter)

Delaware

39-1126612

(State or other jurisdiction of incorporation)

(I.R.S. Employer Identification No.)

260 Interstate North Circle SE
Atlanta, Georgia 30339
(770) 763-1000

(Address, including zip code, and telephone number, including area code, of Registrant's Principal Executive Offices)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, \$0.01 Par Value	AIZ	New York Stock Exchange
5.25% Subordinated Notes due 2061	AIZN	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares of the registrant's common stock outstanding at May 3, 2024 was 51,985,804.

ASSURANT, INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2024

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Assurant, Inc.
Consolidated Balance Sheets (unaudited)

	March 31, 2024	December 31, 2023
	(in millions, except number of shares and per share amounts)	
Assets		
Investments:		
Fixed maturity securities available for sale, at fair value (amortized cost - \$7,617.9 and \$7,292.4 at March 31, 2024 and December 31, 2023, respectively)	\$ 7,214.1	\$ 6,912.1
Equity securities at fair value	243.9	223.0
Commercial mortgage loans on real estate, at amortized cost (net of allowances for credit losses of \$5.0 and \$4.0 at March 31, 2024 and December 31, 2023, respectively)	332.5	328.7
Short-term investments	192.8	258.1
Other investments	486.8	499.0
Total investments	8,470.1	8,220.9
Cash and cash equivalents	1,281.9	1,627.4
Premiums and accounts receivable (net of allowances for credit losses of \$8.5 and \$9.0 at March 31, 2024 and December 31, 2023, respectively)	2,002.7	2,265.6
Reinsurance recoverables (net of allowances for credit losses of \$4.6 and \$4.8 at March 31, 2024 and December 31, 2023, respectively)	6,589.1	6,649.2
Accrued investment income	96.6	97.0
Deferred acquisition costs	9,978.9	9,967.2
Property and equipment, net	706.1	685.8
Goodwill	2,608.5	2,608.8
Value of business acquired	46.8	83.9
Other intangible assets, net	562.6	567.1
Other assets (net of allowances for credit losses of \$0.7 at March 31, 2024 and December 31, 2023)	882.1	862.3
Total assets	\$ 33,225.4	\$ 33,635.2
Liabilities		
Future policy benefits and expenses	\$ 521.5	\$ 487.2
Unearned premiums	20,031.1	20,110.4
Claims and benefits payable	2,015.4	1,989.2
Commissions payable	499.0	542.8
Reinsurance balances payable	390.0	430.1
Funds held under reinsurance	311.8	392.7
Accounts payable and other liabilities (including allowances for credit losses of \$5.4 and \$8.3 at March 31, 2024 and December 31, 2023, respectively, for the unsecured portion of the high deductible recoverables)	2,455.4	2,792.7
Debt	2,081.2	2,080.6
Total liabilities	28,305.4	28,825.7
Commitments and contingencies (Note 14)		
Stockholders' equity		
Common stock, par value \$0.01 per share, 800,000,000 shares authorized, 54,319,141 and 54,252,083 shares issued and 52,023,052 and 51,955,994 shares outstanding at March 31, 2024 and December 31, 2023, respectively	0.6	0.6
Additional paid-in capital	1,659.2	1,668.5
Retained earnings	4,194.2	4,028.2
Accumulated other comprehensive loss	(811.2)	(765.0)
Treasury stock, at cost; 2,296,089 shares at March 31, 2024 and December 31, 2023	(122.8)	(122.8)
Total equity	4,920.0	4,809.5
Total liabilities and equity	\$ 33,225.4	\$ 33,635.2

See the accompanying Notes to Consolidated Financial Statements (unaudited)

Assurant, Inc.
Consolidated Statements of Operations (unaudited)

	Three Months Ended March 31,	
	2024	2023
	(in millions, except number of shares and per share amounts)	
Revenues		
Net earned premiums	\$ 2,376.5	\$ 2,265.5
Fees and other income	385.7	282.7
Net investment income	126.7	105.2
Net realized losses on investments (including \$8.0 and \$2.5 of impairment-related losses for the three months ended March 31, 2024 and 2023, respectively) and fair value changes to equity securities	(8.8)	(10.6)
Total revenues	2,880.1	2,642.8
Benefits, losses and expenses		
Policyholder benefits	623.1	645.6
Underwriting, selling, general and administrative expenses	1,937.3	1,823.2
Interest expense	26.8	27.0
Gain on extinguishment of debt	—	(0.1)
Total benefits, losses and expenses	2,587.2	2,495.7
Income before income tax expense	292.9	147.1
Income tax expense	56.5	33.5
Net income	\$ 236.4	\$ 113.6
Earnings Per Common Share		
Basic	\$ 4.50	\$ 2.12
Diluted	\$ 4.47	\$ 2.12
Share Data		
Weighted average common shares outstanding used in basic per common share calculations	52,531,865	53,492,413
Plus: Dilutive securities	340,389	205,749
Weighted average common shares outstanding used in diluted per common share calculations	52,872,254	53,698,162

See the accompanying Notes to Consolidated Financial Statements (unaudited)

Assurant, Inc.

Consolidated Statements of Comprehensive Income (unaudited)

	Three Months Ended March 31,	
	2024	2023
	(in millions)	
Net income	\$ 236.4	\$ 113.6
Other comprehensive income (loss):		
Change in unrealized losses on securities, net of taxes of \$ 4.2 and \$(20.8) for the three months ended March 31, 2024 and 2023, respectively	(32.2)	79.2
Change in unrealized gains on derivative transactions, net of taxes of \$ 0.9 and \$0.0 for the three months ended March 31, 2024 and 2023, respectively	(3.2)	0.1
Change in foreign currency translation, net of taxes of \$(0.1) and \$2.3 for the three months ended March 31, 2024 and 2023, respectively	(8.5)	10.0
Change in pension and postretirement unrecognized net periodic benefit cost, net of taxes of \$ 0.7 and \$0.7 for the three months ended March 31, 2024 and 2023, respectively	(2.3)	(2.6)
Total other comprehensive income (loss)	(46.2)	86.7
Total comprehensive income	\$ 190.2	\$ 200.3

See the accompanying Notes to Consolidated Financial Statements (unaudited)

Assurant, Inc.
Consolidated Statements of Changes in Equity (unaudited)

Three Months Ended March 31, 2024						
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
	(in millions)					
Balance at December 31, 2023	\$ 0.6	\$ 1,668.5	\$ 4,028.2	\$ (765.0)	\$ (122.8)	\$ 4,809.5
Stock plan exercises	—	7.3	—	—	—	7.3
Stock plan compensation expense	—	14.5	—	—	—	14.5
Common stock dividends (\$0.72 per share)	—	—	(37.4)	—	—	(37.4)
Acquisition of common stock	—	(31.1)	(33.0)	—	—	(64.1)
Net income	—	—	236.4	—	—	236.4
Other comprehensive loss	—	—	—	(46.2)	—	(46.2)
Balance at March 31, 2024	<u>\$ 0.6</u>	<u>\$ 1,659.2</u>	<u>\$ 4,194.2</u>	<u>\$ (811.2)</u>	<u>\$ (122.8)</u>	<u>\$ 4,920.0</u>
Three Months Ended March 31, 2023						
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
	(in millions)					
Balance at December 31, 2022	\$ 0.6	\$ 1,637.8	\$ 3,699.3	\$ (986.2)	\$ (122.8)	\$ 4,228.7
Stock plan exercises	—	7.4	—	—	—	7.4
Stock plan compensation expense	—	12.5	—	—	—	12.5
Common stock dividends (\$0.70 per share)	—	—	(37.0)	—	—	(37.0)
Acquisition of common stock	—	(15.5)	—	—	—	(15.5)
Net income	—	—	113.6	—	—	113.6
Other comprehensive income	—	—	—	86.7	—	86.7
Balance at March 31, 2023	<u>\$ 0.6</u>	<u>\$ 1,642.2</u>	<u>\$ 3,775.9</u>	<u>\$ (899.5)</u>	<u>\$ (122.8)</u>	<u>\$ 4,396.4</u>

See the accompanying Notes to Consolidated Financial Statements (unaudited)

Assurant, Inc.
Consolidated Statements of Cash Flows (unaudited)

	Three Months Ended March 31,	
	2024	2023
	(in millions)	
Operating activities		
Net income	\$ 236.4	\$ 113.6
Adjustments to reconcile net income to net cash provided by operating activities:		
Noncash revenues, expenses, gains and losses included in net income from operations:		
Deferred tax expense (benefit)	19.6	(12.3)
Depreciation and amortization	50.6	48.1
Net realized losses on investments, including impairment losses	8.8	10.6
Gain on extinguishment of debt	—	(0.1)
Stock based compensation expense	14.5	12.5
Restructuring costs	—	5.1
Changes in operating assets and liabilities:		
Insurance policy reserves and expenses	(36.2)	(277.4)
Premiums and accounts receivable	265.2	67.5
Commissions payable	(41.2)	(85.7)
Reinsurance recoverable	93.6	360.0
Reinsurance balance payable	(39.3)	51.9
Funds withheld under reinsurance	(80.3)	7.3
Deferred acquisition costs and value of business acquired	16.8	50.5
Taxes (receivable) payable	(129.3)	25.7
Other assets and other liabilities	(275.1)	(110.7)
Other	(21.6)	(7.0)
Net cash provided by operating activities	82.5	259.6
Investing activities		
Sales of:		
Fixed maturity securities available for sale	320.8	354.0
Equity securities	3.8	0.3
Other invested assets	42.2	13.7
Maturities, calls, prepayments, and scheduled redemption of:		
Fixed maturity securities available for sale	103.6	67.1
Commercial mortgage loans on real estate	5.0	3.5
Purchases of:		
Fixed maturity securities available for sale	(766.1)	(590.5)
Equity securities	(18.5)	(2.7)
Commercial mortgage loans on real estate	(9.9)	(14.8)
Other invested assets	(13.3)	(15.2)
Property and equipment and other	(50.8)	(48.4)
Subsidiaries, net of cash transferred	(10.2)	(0.3)
Change in short-term investments	65.2	3.8
Other	—	0.1
Net cash used in investing activities	(328.2)	(229.4)
Financing activities		
Issuance of debt, net of issuance costs	—	173.2
Repayment of debt	—	(175.0)

Assurant, Inc.**Consolidated Statements of Cash Flows (unaudited)**

	Three Months Ended March 31,	
	2024	2023
Acquisition of common stock	(46.1)	—
Common stock dividends paid	(37.4)	(37.0)
Employee stock purchases and withholdings	(12.7)	(4.2)
Net cash used in financing activities	(96.2)	(43.0)
Effect of exchange rate changes on cash and cash equivalents	(3.6)	1.7
Change in cash and cash equivalents	(345.5)	(11.1)
Cash and cash equivalents at beginning of period	1,627.4	1,536.7
Cash and cash equivalents at end of period	<u>\$ 1,281.9</u>	<u>\$ 1,525.6</u>

See the accompanying Notes to Consolidated Financial Statements (unaudited)

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1. Nature of Operations

Assurant, Inc. (the "Company") is a leading global business services company that supports, protects and connects major consumer purchases. The Company supports the advancement of the connected world by partnering with the world's leading brands to develop innovative solutions and to deliver an enhanced customer experience. The Company operates in North America, Latin America, Europe and Asia Pacific through two operating segments: Global Lifestyle and Global Housing. Through its Global Lifestyle segment, the Company provides mobile device solutions, extended service contracts and related services for consumer electronics and appliances, and credit and other insurance products (referred to as "Connected Living"); and vehicle protection services, commercial equipment services and other related services (referred to as "Global Automotive"). Through its Global Housing segment, the Company provides lender-placed homeowners, manufactured housing and flood insurance, as well as voluntary manufactured housing, condominium and homeowners insurance (referred to as "Homeowners"); and renters insurance and other products (referred to as "Renters and Other").

The Company's common stock is traded on the New York Stock Exchange under the symbol "AIZ".

2. Basis of Presentation

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information. Accordingly, these statements do not include all of the information and notes required by GAAP for complete financial statements.

The consolidated balance sheet as of March 31, 2024, the consolidated statements of operations, consolidated statements of comprehensive income and consolidated statements of changes in equity for the three months ended March 31, 2024 and 2023 and the consolidated statements of cash flows for the three months ended March 31, 2024 and 2023 are unaudited. In the opinion of management, the interim data includes all adjustments necessary for a fair statement of the results for the interim periods. The unaudited interim consolidated financial statements include the accounts of the Company and all of its wholly owned subsidiaries. All inter-company transactions and balances are eliminated in consolidation.

Operating results for the three months ended March 31, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024. The accompanying unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

Restricted Cash

Restricted cash and cash equivalents of \$36.5 million and \$43.6 million as of March 31, 2024 and December 31, 2023, respectively, principally related to cash deposits involving insurance programs with restrictions as to withdrawal and use, are classified within cash and cash equivalents in the consolidated balance sheets.

3. Recent Accounting Pronouncements

Changes to GAAP are established by the Financial Accounting Standards Board ("FASB") in the form of Accounting Standards Updates ("ASUs") to the FASB Accounting Standards Codification. The Company considers the applicability and impact of all ASUs. The following table provides a description of ASUs recently issued by the FASB and the impact of their adoption on the Company's consolidated financial statements.

Adopted

There were no ASUs adopted by the Company during the quarterly period ended March 31, 2024.

Not Yet Adopted

ASUs issued but not yet adopted as of March 31, 2024, that are currently being assessed and may or may not have a material impact on the Company's consolidated financial statements or disclosures are included below. ASUs not listed below were assessed and either determined to be not applicable or are not expected to have a material impact on the Company's consolidated financial statements or disclosures.

Standard	Summary of the Standard	Effective date Method of Adoption	Impact of the Standard on the Company's Financial Statements
ASU 2023-07 Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures	<p>The guidance improves reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses. Key disclosure updates include:</p> <ul style="list-style-type: none"> On an annual and interim basis, significant segment expenses that are regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss. On an annual and interim basis, an amount for other segment items by reportable segment and a description of its composition. The other segment items category is the difference between segment revenue less the significant expenses disclosed and each reported measure of segment profit or loss. All current annual disclosures about a reportable segment's profit or loss and assets currently required by Topic 280, Segment Reporting on an interim basis. Clarify that if the CODM uses more than one measure of a segment's profit or loss in assessing segment performance and deciding how to allocate resources, a public entity may report one or more of those additional measures of segment profit. However, at least one of the reported segment's profit or loss measures (or the single reported measure, if only one is disclosed) should be the measure that is most consistent with the measurement principles used in measuring the corresponding amounts in the public entity's consolidated financial statements. Require the disclosure of the title and position of the CODM and an explanation of how the CODM uses the reported measure(s) of segment profit or loss in assessing segment performance and deciding how to allocate resources. Require that a public entity that has a single reportable segment provide all the disclosures required by the amendments in the ASU and all existing segment disclosures in Topic 280. <p>The guidance is applied retrospectively to all periods presented in the financial statements, unless it is impracticable.</p>	December 31, 2024 and for interim periods thereafter	The Company is assessing the impact of adopting this standard as of December 31, 2024. The amended guidance is expected to have no impact on the Company's consolidated financial statements and to impact the Company's segment information disclosures.

Standard	Summary of the Standard	Effective date Method of Adoption	Impact of the Standard on the Company's Financial Statements
ASU 2023-09 Income Taxes (Topic 740): Improvements to Income Tax Disclosures	The guidance improves the transparency of income tax disclosures by requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of income tax disclosures.	January 1, 2025 (with early adoption permitted)	The Company is assessing the adoption of this standard as of January 1, 2025. The amended guidance is expected to have no impact on the Company's consolidated financial statements and insignificant impact on the Company's income tax disclosures.

4. Segment Information

As of March 31, 2024, the Company had two reportable operating segments, Global Lifestyle and Global Housing. In addition, the Company reports the Corporate and Other segment, which includes corporate employee-related expenses and activities of the holding company. The Company defines Adjusted EBITDA, the segment measure of profitability, as net income, excluding net realized gains (losses) on investments and fair value changes to equity securities, non-core operations (defined below), restructuring costs related to strategic exit activities (outside of normal periodic restructuring and cost management activities), Assurant Health runoff operations, interest expense, provision (benefit) for income taxes, depreciation expense, amortization of purchased intangible assets, as well as other highly variable or unusual items.

The following table presents segment Adjusted EBITDA with a reconciliation to net income:

	Three Months Ended March 31,	
	2024	2023
Adjusted EBITDA by segment:		
Global Lifestyle	\$ 207.7	\$ 198.9
Global Housing	192.5	68.4
Corporate and Other	(29.5)	(24.4)
Reconciling items to consolidated net income:		
Interest expense	(26.8)	(27.0)
Depreciation expense	(30.6)	(26.4)
Amortization of purchased intangible assets	(17.6)	(18.7)
Net realized losses on investments and fair value changes to equity securities	(8.8)	(10.6)
Non-core operations (1)	(2.6)	(12.2)
Restructuring costs	—	(6.4)
Assurant Health runoff operations (2)	0.4	7.5
Other adjustments	8.2	(2.0)
Total reconciling items	(77.8)	(95.8)
Income before income tax expense	292.9	147.1
Income tax expense	56.5	33.5
Net income	\$ 236.4	\$ 113.6

- (1) Consists of certain businesses which the Company has fully exited or expects to fully exit, including the long-tail commercial liability businesses (sharing economy and small commercial businesses), certain legacy long-duration insurance policies and the Company's operations in mainland China (not Hong Kong) (collectively referred to as "non-core operations"). The non-core operations do not qualify as held for sale or discontinued operations under GAAP accounting guidance and are presented as a reconciling item to consolidated net income.
- (2) In first quarter 2023, the Company recorded income of \$7.5 million related to a payment it received from Time Insurance Company ("TIC") pursuant to a participation agreement that the Company had with TIC in connection with its sale by the Company in 2018. The payment related to the Company's prior participation in the risk adjustment program introduced by the Patient Protection and Affordable Care Act of 2010.

The Company's net earned premiums, fees and other income by segment and line of business are as follows:

	Three Months Ended March 31,	
	2024	2023
Global Lifestyle:		
Connected Living	\$ 1,140.3	\$ 1,026.6
Global Automotive	1,047.5	1,013.7
Total	\$ 2,187.8	\$ 2,040.3
Global Housing:		
Homeowners	\$ 447.4	\$ 391.4
Renters and Other	124.8	113.9
Total	\$ 572.2	\$ 505.3

The following table presents total assets by segment:

	March 31, 2024	December 31, 2023
Global Lifestyle (1)	\$ 27,303.2	\$ 27,642.9
Global Housing (1)	4,160.5	4,274.5
Corporate and Other (2)	1,761.7	1,717.8
Segment assets	\$ 33,225.4	\$ 33,635.2

- (1) Segment assets for Global Lifestyle and Global Housing do not include net unrealized gains (losses) on securities attributable to those segments, which are all included within Corporate and Other.
- (2) Corporate and Other includes the Miami, Florida property with a carrying value of \$46.0 million as of March 31, 2024 and December 31, 2023, which met held-for-sale criteria and was included in other assets. The Company has ceased depreciation of these assets which are recorded at carrying value, which is less than the estimated fair value less estimated costs to sell. During third quarter 2023, the Company submitted an agreement to a potential acquiror, which is subject to review, approval, execution and other conditions. There can be no assurance that a definitive agreement will be executed or that any transaction will be approved or consummated.

5. Contract Revenues

The Company partners with clients to provide consumers with a diverse range of protection products and services. The Company's revenues from protection products are accounted for as insurance contracts and are recognized over the term of the insurance protection provided. Revenues from services and sales of products are recognized as the contractual performance obligations are satisfied or the products are delivered. Revenue is measured as the amount of consideration the Company expects to be entitled to in exchange for performing the services or transferring products. If payments are received before the related revenue is recognized, the amount is recorded as unearned revenue or advance payment liabilities, until the performance obligations are satisfied or the products are transferred.

The disaggregated revenues from service contracts included in fees and other income on the consolidated statements of operations are \$ 345.2 million and \$247.2 million for Global Lifestyle and \$ 20.6 million and \$19.9 million for Global Housing for the three months ended March 31, 2024 and 2023, respectively.

Global Lifestyle

In the Global Lifestyle segment, revenues from service contracts and sales of products are primarily from the Connected Living business. Through partnerships with mobile carriers, the Company provides administrative services related to its mobile device protection products, including program design and marketing strategy, risk management, data analytics, customer support and claims handling, supply chain and service delivery, repair and logistics, and device disposition. Administrative fees are generally billed monthly based on the volume of services provided during the billing period (for example, based on the number of mobile subscribers) with payment due within a short-term period. Each service or bundle of services, depending on the contract, is an individual performance obligation with a standalone selling price. The Company recognizes revenue as it invoices, which corresponds to the value transferred to the customer.

The Company also repairs, refurbishes and then sells mobile and other electronic devices, on behalf of its clients, for a bundled per unit fee. The entire processing of the device is considered one performance obligation with a standalone selling price and thus, the per unit fee is recognized when the products are sold. Payments are generally due prior to shipment or within a short-term period.

Global Housing

In the Global Housing segment, revenues from service contracts and sales of products are primarily from the Homeowners business. As part of the Homeowners business, the Company provides loan and claim payment tracking services for lenders. The Company generally invoices its customers weekly or monthly based on the volume of services provided during the billing period with payment due within a short-term period. Each service is an individual performance obligation with a standalone selling price. The Company recognizes revenue as it invoices, which corresponds to the value transferred to the customer.

Contract Balances

The receivables and unearned revenue under these contracts were \$ 224.3 million and \$149.7 million, respectively, as of March 31, 2024, and \$218.9 million and \$155.4 million, respectively, as of December 31, 2023. These balances are included in premiums and accounts receivable and accounts payable and other liabilities, respectively, in the consolidated balance sheets. Revenue from service contracts and sales of products recognized during the three months ended March 31, 2024 and 2023 that was included in unearned revenue as of December 31, 2023 and 2022 was \$17.3 million and \$21.9 million, respectively.

In certain circumstances, the Company defers upfront commissions and other costs in connection with client contracts in excess of one year where the Company can demonstrate future economic benefit. For these contracts, expense is recognized as revenues are earned. The Company periodically assesses recoverability based on the performance of the related contracts. As of March 31, 2024 and December 31, 2023, the Company had approximately \$48.1 million and \$47.2 million, respectively, of such intangible assets attributed to service contracts that will be expensed over the term of the client contracts.

6. Investments

The following tables show the cost or amortized cost, allowance for credit losses, gross unrealized gains and losses, and fair value of the Company's fixed maturity securities as of the dates indicated:

	March 31, 2024				
	Cost or Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Fixed maturity securities:					
U.S. government and government agencies and authorities	\$ 62.9	\$ —	\$ 0.3	\$ (4.8)	\$ 58.4
States, municipalities and political subdivisions	148.5	—	0.9	(11.3)	138.1
Foreign governments	501.1	—	5.8	(15.8)	491.1
Asset-backed	925.9	—	10.6	(12.7)	923.8
Commercial mortgage-backed	376.3	—	0.8	(43.3)	333.8
Residential mortgage-backed	610.1	—	1.5	(56.6)	555.0
U.S. corporate	3,438.3	—	30.2	(229.0)	3,239.5
Foreign corporate	1,554.8	—	14.0	(94.4)	1,474.4
Total fixed maturity securities	<u>\$ 7,617.9</u>	<u>\$ —</u>	<u>\$ 64.1</u>	<u>\$ (467.9)</u>	<u>\$ 7,214.1</u>
	December 31, 2023				
	Cost or Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Fixed maturity securities:					
U.S. government and government agencies and authorities	\$ 68.9	\$ —	\$ 0.7	\$ (4.4)	\$ 65.2
States, municipalities and political subdivisions	159.2	—	1.2	(11.2)	149.2
Foreign governments	483.1	—	9.4	(12.7)	479.8
Asset-backed	891.4	—	5.2	(22.8)	873.8
Commercial mortgage-backed	383.1	—	0.4	(53.3)	330.2
Residential mortgage-backed	534.7	—	1.9	(50.6)	486.0
U.S. corporate	3,300.5	—	45.3	(215.4)	3,130.4
Foreign corporate	1,471.5	—	17.6	(91.6)	1,397.5
Total fixed maturity securities	<u>\$ 7,292.4</u>	<u>\$ —</u>	<u>\$ 81.7</u>	<u>\$ (462.0)</u>	<u>\$ 6,912.1</u>

The cost or amortized cost and fair value of fixed maturity securities as of March 31, 2024 by contractual maturity are shown below. Actual maturities may differ from contractual maturities because issuers of the securities may have the right to call or prepay obligations with or without call or prepayment penalties.

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	Cost or Amortized Cost	Fair Value
Due in one year or less	\$ 172.4	\$ 172.2
Due after one year through five years	1,559.3	1,521.8
Due after five years through ten years	2,912.0	2,783.0
Due after ten years	1,061.9	924.5
Total	5,705.6	5,401.5
Asset-backed	925.9	923.8
Commercial mortgage-backed	376.3	333.8
Residential mortgage-backed	610.1	555.0
Total	\$ 7,617.9	\$ 7,214.1

The following table sets forth the net realized gains (losses) on investments and fair value changes to equity securities, including impairments, recognized in the consolidated statements of operations for the periods indicated:

	Three Months Ended March 31,	
	2024	2023
Net realized (losses) gains on investments related to sales and other and fair value changes to equity securities:		
Fixed maturity securities	\$ (14.4)	\$ (4.0)
Equity securities (1)	10.1	(3.1)
Commercial mortgage loans on real estate	(1.0)	(1.5)
Other investments	4.5	0.5
Total net realized losses on investments related to sales and other and fair value changes to equity securities	(0.8)	(8.1)
Net realized losses related to impairments:		
Fixed maturity securities	(0.3)	—
Other investments	(7.7)	(2.5)
Total net realized losses related to impairments	(8.0)	(2.5)
Total net realized losses on investments and fair value changes to equity securities	\$ (8.8)	\$ (10.6)

- (1) Upward adjustments of \$3.8 million for the three months ended March 31, 2024 and impairments of \$7.7 million and \$2.5 million for the three months ended March 31, 2024 and 2023, respectively, were realized on equity investments accounted for under the measurement alternative.

The following table sets forth the portion of fair value changes to equity securities held for the periods indicated:

	Three Months Ended March 31,	
	2024	2023
Net gains (losses) recognized on equity securities	\$ 10.1	\$ (3.1)
Less: Net realized losses related to sales of equity securities	(0.1)	(0.8)
Total fair value changes to equity securities held	\$ 10.2	\$ (2.3)

Equity investments accounted for under the measurement alternative are included within other investments on the consolidated balance sheets. The following table summarizes information related to these investments:

	March 31, 2024	December 31, 2023
Initial cost	\$ 84.0	\$ 86.8
Cumulative upward adjustments	54.9	51.1
Cumulative downward adjustments (including impairments)	(23.1)	(17.9)
Carrying value	\$ 115.8	\$ 120.0

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The investment category and duration of the Company's gross unrealized losses on fixed maturity securities as of March 31, 2024 and December 31, 2023 were as follows:

	March 31, 2024					
	Less than 12 months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Fixed maturity securities:						
U.S. government and government agencies and authorities	\$ 5.9	\$ (0.2)	\$ 35.7	\$ (4.6)	\$ 41.6	\$ (4.8)
States, municipalities and political subdivisions	10.3	(0.3)	85.7	(11.0)	96.0	(11.3)
Foreign governments	101.4	(1.0)	205.3	(14.8)	306.7	(15.8)
Asset-backed	99.0	(2.1)	312.2	(10.6)	411.2	(12.7)
Commercial mortgage-backed	45.8	(6.1)	237.2	(37.2)	283.0	(43.3)
Residential mortgage-backed	133.2	(3.8)	282.3	(52.8)	415.5	(56.6)
U.S. corporate	631.9	(20.3)	1,488.1	(208.7)	2,120.0	(229.0)
Foreign corporate	245.0	(6.4)	736.8	(88.0)	981.8	(94.4)
Total fixed maturity securities	<u>\$ 1,272.5</u>	<u>\$ (40.2)</u>	<u>\$ 3,383.3</u>	<u>\$ (427.7)</u>	<u>\$ 4,655.8</u>	<u>\$ (467.9)</u>

	December 31, 2023					
	Less than 12 months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Fixed maturity securities:						
U.S. government and government agencies and authorities	\$ 5.2	\$ (0.1)	\$ 43.7	\$ (4.3)	\$ 48.9	\$ (4.4)
States, municipalities and political subdivisions	3.9	(0.1)	96.5	(11.1)	100.4	(11.2)
Foreign governments	42.5	(0.5)	203.5	(12.2)	246.0	(12.7)
Asset-backed	64.0	(3.0)	404.7	(19.8)	468.7	(22.8)
Commercial mortgage-backed	66.3	(8.4)	244.2	(44.9)	310.5	(53.3)
Residential mortgage-backed	98.8	(3.5)	285.1	(47.1)	383.9	(50.6)
U.S. corporate	331.9	(14.7)	1,596.4	(200.7)	1,928.3	(215.4)
Foreign corporate	153.9	(5.6)	744.8	(86.0)	898.7	(91.6)
Total fixed maturity securities	<u>\$ 766.5</u>	<u>\$ (35.9)</u>	<u>\$ 3,618.9</u>	<u>\$ (426.1)</u>	<u>\$ 4,385.4</u>	<u>\$ (462.0)</u>

Total gross unrealized losses represented approximately 10% and 11% of the aggregate fair value of the related securities as of March 31, 2024 and December 31, 2023, respectively. Approximately 9% and 8% of these gross unrealized losses had been in a continuous loss position for less than twelve months as of March 31, 2024 and December 31, 2023, respectively. The total gross unrealized losses are comprised of 3,230 and 3,096 individual securities as of March 31, 2024 and December 31, 2023, respectively. In accordance with its policy, the Company concluded that for these securities, the gross unrealized losses as of March 31, 2024 and December 31, 2023 were related to non-credit factors and therefore, did not recognize credit-related losses during the three months ended March 31, 2024. Additionally, the Company currently does not intend to and is not required to sell these investments prior to an anticipated recovery in value.

The Company has entered into commercial mortgage loans, collateralized by the underlying real estate, on properties located throughout the U.S. As of March 31, 2024, approximately 35% of the outstanding principal balance of commercial mortgage loans was concentrated in the states of California, Texas and Maryland. Although the Company has a diversified loan portfolio, an economic downturn could have an adverse impact on the ability of its debtors to repay their loans. The outstanding balance of commercial mortgage loans range in size from less than \$0.1 million to \$5.5 million as of March 31, 2024, and from less than \$0.1 million to \$10.0 million as of December 31, 2023.

Credit quality indicators for commercial mortgage loans are loan-to-value and debt-service coverage ratios. The loan-to-value ratio compares the principal amount of the loan to the fair value of the underlying property collateralizing the loan, and is commonly expressed as a percentage. The debt-service coverage ratio compares a property's annual net operating income to its annual debt-service payments and is commonly expressed as a ratio. The loan-to-value and debt-service coverage ratios are generally updated annually in the fourth quarter.

The following table presents the amortized cost basis of commercial mortgage loans, excluding the allowance for credit losses, by origination year for certain key credit quality indicators at March 31, 2024 and December 31, 2023.

March 31, 2024									
Origination Year									
	2024	2023	2022	2021	2020	Prior	Total	% of Total	
Loan to value ratios (1):									
70% and less	\$ 9.7	\$ 49.5	\$ 42.1	\$ 29.4	\$ —	\$ 63.0	\$ 193.7	57.4 %	
71% to 80%	—	2.5	22.7	69.3	2.8	4.4	101.7	30.1 %	
81% to 95%	—	—	10.9	22.5	—	5.4	38.8	11.5 %	
Greater than 95%	—	—	2.0	1.3	—	—	3.3	1.0 %	
Total	\$ 9.7	\$ 52.0	\$ 77.7	\$ 122.5	\$ 2.8	\$ 72.8	\$ 337.5	100.0 %	
March 31, 2024									
Origination Year									
	2024	2023	2022	2021	2020	Prior	Total	% of Total	
Debt-service coverage ratios (2):									
Greater than 2.0	\$ —	\$ —	\$ 11.7	\$ 9.3	\$ —	\$ 44.3	\$ 65.3	19.4 %	
1.5 to 2.0	2.0	18.8	23.6	28.5	—	12.1	85.0	25.2 %	
1.0 to 1.5	7.7	33.2	18.1	39.9	—	6.8	105.7	31.3 %	
Less than 1.0	—	—	24.3	44.8	2.8	9.6	81.5	24.1 %	
Total	\$ 9.7	\$ 52.0	\$ 77.7	\$ 122.5	\$ 2.8	\$ 72.8	\$ 337.5	100.0 %	
December 31, 2023									
Origination Year									
	2023	2022	2021	2020	2019	Prior	Total	% of Total	
Loan to value ratios (1):									
70% and less	\$ 49.6	\$ 42.3	\$ 29.5	\$ —	\$ —	\$ 60.1	\$ 181.5	54.6 %	
71% to 80%	2.5	22.7	69.6	2.8	—	4.4	102.0	30.7 %	
81% to 95%	—	10.7	25.5	—	—	5.5	41.7	12.5 %	
Greater than 95%	—	2.0	1.3	—	—	4.1	7.4	2.2 %	
Total	\$ 52.1	\$ 77.7	\$ 125.9	\$ 2.8	\$ —	\$ 74.1	\$ 332.6	100.0 %	

December 31, 2023									
	Origination Year								% of Total
	2023	2022	2021	2020	2019	Prior	Total		
Debt-service coverage ratios (2):									
Greater than 2.0	\$ —	\$ 11.8	\$ 9.3	\$ —	\$ —	\$ 44.9	\$ 66.0		19.8 %
1.5 to 2.0	18.9	23.6	28.7	—	—	12.2	83.4		25.1 %
1.0 to 1.5	33.2	18.2	40.1	—	—	7.1	98.6		29.7 %
Less than 1.0	—	24.1	47.8	2.8	—	9.9	84.6		25.4 %
Total	\$ 52.1	\$ 77.7	\$ 125.9	\$ 2.8	\$ —	\$ 74.1	\$ 332.6		100.0 %

(1) Loan-to-value ratio derived from current principal amount of the loan divided by the fair value of the property. The fair value of the underlying commercial properties is updated at least annually.

(2) Debt-service coverage ratio calculated using most recently reported annual net operating income from property operators divided by annual debt service payments.

7. Fair Value Disclosures

Fair Values, Inputs and Valuation Techniques for Financial Assets and Liabilities Disclosures

The fair value measurements and disclosures guidance defines fair value and establishes a framework for measuring fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company has categorized its recurring fair value basis financial assets and liabilities into a three-level fair value hierarchy based on the priority of the inputs to the valuation technique.

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and takes into account factors specific to the asset or liability.

The levels of the fair value hierarchy are described below:

- Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access.
- Level 2 inputs utilize other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active and inputs other than quoted prices that are observable in the marketplace for the asset or liability. The observable inputs are used in valuation models to calculate the fair value for the asset or liability.
- Level 3 inputs are unobservable but are significant to the fair value measurement for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

The Company reviews fair value hierarchy classifications on a quarterly basis. Changes in the observability of valuation inputs may result in a reclassification of levels for certain securities within the fair value hierarchy.

The following tables present the Company's fair value hierarchy for assets and liabilities measured at fair value on a recurring basis as of March 31, 2024 and December 31, 2023. The amounts presented below for short-term investments, other investments, cash equivalents, other assets, assets held in and liabilities related to separate accounts and other liabilities differ from the amounts presented in the consolidated balance sheets because only certain investments or certain assets and liabilities within these line items are measured at estimated fair value. Other investments are comprised of investments in the Assurant Investment Plan ("AIP"), the American Security Insurance Company Investment Plan, the Assurant Deferred Compensation Plan and other derivatives. Other liabilities are comprised of investments in the AIP and other derivatives. The fair value

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amount and the majority of the associated levels presented for other investments and assets and liabilities held in separate accounts are received directly from third parties.

	March 31, 2024			
	Total	Level 1	Level 2	Level 3
Financial Assets				
Fixed maturity securities:				
U.S. government and government agencies and authorities	\$ 58.4	\$ —	\$ 58.4	\$ —
States, municipalities and political subdivisions	138.1	—	138.1	—
Foreign governments	491.1	—	491.1	—
Asset-backed	923.8	—	835.7	88.1
Commercial mortgage-backed	333.8	—	333.8	—
Residential mortgage-backed	555.0	—	555.0	—
U.S. corporate	3,239.5	—	3,201.0	38.5
Foreign corporate	1,474.4	—	1,467.2	7.2
Equity securities:				
Mutual funds	16.5	16.5	—	—
Common stocks	17.9	17.2	0.7	—
Non-redeemable preferred stocks	209.5	—	209.5	—
Short-term investments	145.6	114.4 (2)	31.2 (3)	—
Other investments	66.9	66.8 (1)	—	0.1 (4)
Cash equivalents	681.8	670.8 (2)	11.0 (3)	—
Other assets	10.6	—	0.6 (4)	10.0 (4)
Assets held in separate accounts	11.1	7.6 (1)	3.5 (3)	—
Total financial assets	\$ 8,374.0	\$ 893.3	\$ 7,336.8	\$ 143.9
Financial Liabilities				
Other liabilities	\$ 67.1	\$ 66.8 (1)	\$ 0.3	\$ —
Liabilities related to separate accounts	11.1	7.6 (1)	3.5 (3)	—
Total financial liabilities	\$ 78.2	\$ 74.4	\$ 3.8	\$ —

	December 31, 2023			
	Total	Level 1	Level 2	Level 3
Financial Assets				
Fixed maturity securities:				
U.S. government and government agencies and authorities	\$ 65.2	\$ —	\$ 65.2	\$ —
States, municipalities and political subdivisions	149.2	—	149.2	—
Foreign governments	479.8	—	479.8	—
Asset-backed	873.8	—	791.0	82.8
Commercial mortgage-backed	330.2	—	330.2	—
Residential mortgage-backed	486.0	—	486.0	—
U.S. corporate	3,130.4	—	3,094.8	35.6
Foreign corporate	1,397.5	—	1,390.4	7.1
Equity securities:				
Mutual funds	16.6	16.6	—	—
Common stocks	17.9	17.2	0.7	—
Non-redeemable preferred stocks	188.5	—	188.5	—
Short-term investments	210.1	121.6 (2)	88.5 (3)	—
Other investments	62.5	62.4 (1)	—	0.1
Cash equivalents	1,051.3	1,040.4 (2)	10.9 (3)	—
Other assets	15.8	—	—	15.8 (4)
Assets held in separate accounts	10.5	6.7 (1)	3.8 (3)	—
Total financial assets	\$ 8,485.3	\$ 1,264.9	\$ 7,079.0	\$ 141.4
Financial Liabilities				
Other liabilities	\$ 64.2	\$ 62.4 (1)	\$ 1.8 (4)	\$ —
Liabilities related to separate accounts	10.5	6.7 (1)	3.8 (3)	—
Total financial liabilities	\$ 74.7	\$ 69.1	\$ 5.6	\$ —

(1) Primarily includes mutual funds and related obligations.

(2) Primarily includes money market funds.

(3) Primarily includes fixed maturity securities and related obligations.

(4) Primarily includes derivatives.

The following tables disclose the carrying value, fair value and hierarchy level of the financial instruments that are not recognized or are not carried at fair value in the consolidated balance sheets as of the dates indicated:

	March 31, 2024				
		Fair Value			
	Carrying Value	Total	Level 1	Level 2	Level 3
Financial Assets					
Commercial mortgage loans on real estate	\$ 332.5	\$ 319.8	\$ —	\$ —	\$ 319.8
Other investments	4.0	4.0	1.4	—	2.6
Other assets	23.6	23.6	—	—	23.6
Total financial assets	\$ 360.1	\$ 347.4	\$ 1.4	\$ —	\$ 346.0
Financial Liabilities					
Policy reserves under investment products (Individual and group annuities, subject to discretionary withdrawal) (1)	\$ 7.1	\$ 7.4	\$ —	\$ —	\$ 7.4
Funds withheld under reinsurance	311.8	311.8	311.8	—	—
Debt	2,081.2	2,002.7	—	2,002.7	—
Total financial liabilities	\$ 2,400.1	\$ 2,321.9	\$ 311.8	\$ 2,002.7	\$ 7.4
	December 31, 2023				
		Fair Value			
	Carrying Value	Total	Level 1	Level 2	Level 3
Financial Assets					
Commercial mortgage loans on real estate	\$ 328.7	\$ 313.7	\$ —	\$ —	\$ 313.7
Other investments	3.7	3.7	1.4	—	2.3
Other assets	26.5	26.5	—	—	26.5
Total financial assets	\$ 358.9	\$ 343.9	\$ 1.4	\$ —	\$ 342.5
Financial Liabilities					
Policy reserves under investment products (Individual and group annuities, subject to discretionary withdrawal) (1)	\$ 7.3	\$ 7.8	\$ —	\$ —	\$ 7.8
Funds withheld under reinsurance	392.7	392.7	392.7	—	—
Debt	2,080.6	1,972.4	—	1,972.4	—
Total financial liabilities	\$ 2,480.6	\$ 2,372.9	\$ 392.7	\$ 1,972.4	\$ 7.8

(1) Only the fair value of the Company's policy reserves for investment-type contracts (those without significant mortality or morbidity risk) are reflected in the tables above.

8. Deferred Acquisition Costs

The following table discloses information about deferred acquisition costs as of the dates indicated:

	For the Three Months Ended March 31,	
	2024	2023
Beginning balance	\$ 9,967.2	\$ 9,677.1
Costs deferred	1,034.4	990.2
Amortization	(1,022.7)	(984.3)
Ending balance	\$ 9,978.9	\$ 9,683.0

9. Reserves

Reserve Roll Forward

The following table provides a roll forward of the Company's beginning and ending claims and benefits payable balances. Claims and benefits payable is the liability for unpaid loss and loss adjustment expenses and is comprised of case and incurred but not reported ("IBNR") reserves.

Since unpaid loss and loss adjustment expenses are estimates, the Company's actual losses incurred may be more or less than the Company's previously developed estimates, which is referred to as either unfavorable or favorable development, respectively.

The best estimate of ultimate loss and loss adjustment expense is generally selected from a blend of methods that are applied consistently each period. There have been no significant changes in the methodologies and assumptions utilized in estimating the liability for unpaid loss and loss adjustment expenses for any of the periods presented.

	For the Three Months Ended March 31,	
	2024	2023
Claims and benefits payable, at beginning of period	\$ 1,989.2	\$ 2,210.0
Less: Reinsurance ceded and other	(886.6)	(1,228.8)
Net claims and benefits payable, at beginning of period	1,102.6	981.2
Incurred losses and loss adjustment expenses related to:		
Current year	664.7	652.1
Prior years	(41.6)	(6.5)
Total incurred losses and loss adjustment expenses	623.1	645.6
Paid losses and loss adjustment expenses related to:		
Current year	245.5	213.8
Prior years	341.4	326.4
Total paid losses and loss adjustment expenses	586.9	540.2
Net claims and benefits payable, at end of period	1,138.8	1,086.6
Plus: Reinsurance ceded and other (1)	876.6	994.6
Claims and benefits payable, at end of period (1)	\$ 2,015.4	\$ 2,081.2

(1) Includes reinsurance recoverables and claims and benefits payable of \$108.6 million and \$168.3 million as of March 31, 2024 and 2023, respectively, which was ceded to the U.S. government. The Company acts as an administrator for the U.S. government under the voluntary National Flood Insurance Program.

The Company experienced net favorable loss development of \$41.6 million and \$6.5 million for the three months ended March 31, 2024 and 2023, respectively, as presented in the roll forward table above.

Global Lifestyle contributed \$20.8 million and \$17.9 million in net favorable loss development for the three months ended March 31, 2024 and 2023, respectively. The net favorable loss development in both periods was attributable to nearly all lines of business in Global Lifestyle across most of the Company's regions with a concentration on more recent accident years and based on emerging evaluations regarding loss experience. Connected Living contributed \$20.1 million of net favorable development, of which \$11.2 million was from extended service contracts, \$7.3 million from credit and other insurance, and \$1.6 million from mobile. For extended service contracts, improvements in data quality for certain clients allowed for reserve releases and contributed to the favorable development. The favorable development for credit and other insurance was primarily from Canada and Europe. For Global Automotive, development was relatively flat as reserves have been strengthened to keep pace with rising loss costs. For the three months ended March 31, 2023 the favorable development was also primarily from Connected Living and due to similar drivers. Many of these contracts and products contain retrospective commission (profit sharing) provisions that would result in offsetting increases or decreases in expense dependent on if the development was favorable or unfavorable.

Global Housing contributed \$22.0 million of net favorable loss development for the three months ended March 31, 2024 and \$ 1.5 million of net unfavorable loss development for the three months ended March 31, 2023. The net favorable loss development for the three months ended March 31, 2024 consisted of favorable non-catastrophe development of \$22.0 million

and flat development from prior catastrophe events. The favorable non-catastrophe development was driven by \$ 21.2 million from lender-placed hazard primarily in accident year 2023 due to favorable frequency, easing inflation and legislative reform changes in Florida. The net unfavorable loss development for the three months ended March 31, 2023 was attributable primarily to Winter Storm Elliott as a result of higher severity than initially projected.

The sharing economy and small commercial businesses, reported within non-core operations, contributed \$ 3.4 million and \$10.7 million in net unfavorable loss development during the three months ended March 31, 2024 and 2023, respectively. The \$3.4 million in net unfavorable loss development consisted of \$4.3 million from sharing economy, driven by more newly reported claims than expected and an increase in the portion and amount of claims anticipated to exceed the per policy deductible. This was partially offset by \$0.9 million in favorable loss development from small commercial due to the timing of reinsurance recoveries. The net unfavorable loss development for the three months ended March 31, 2023 was attributable primarily to reserve assumption increases in sharing economy related to higher frequency expectations for the number of claims closed with indemnity payment and an increase in loss adjustment expenses in the tail.

All others contributed \$2.2 million and \$0.8 million of net favorable loss development for the three months ended March 31, 2024 and 2023 respectively.

Long-Duration Contracts

The Company adopted the targeted improvements accounting guidance for long-duration insurance contracts as of January 1, 2023, using a modified retrospective method on liabilities for future policy benefits and expenses to January 1, 2021 for long-term care insurance contracts that have been fully reinsured. The Company also elected to not apply the amended accounting guidance to long-duration contracts of legal entities sold and derecognized before the January 1, 2023 effective date as the Company has no significant continuing involvement with them.

A remeasurement of the ending reporting period future policy benefits and expenses reserve is calculated using the current upper medium grade fixed-income corporate bond instrument yield as of the consolidated balance sheet ending period (the "current discount rate"). The current discount rate used is an externally published US corporate A index weighted average spot rate that is updated quarterly and effectively matches the duration of the expected cash flow streams of the long-term care reserves. The difference between the ending period future policy benefits and expenses reserve measured using the original discount rate and the future policy benefits and expenses reserve measured using the current discount rate is recorded in accumulated other comprehensive income ("AOCI") in the Company's consolidated statements of comprehensive income.

The long-term care insurance contracts are fully reinsured and there is no impact to consolidated stockholders' equity or net income as the reserves are fully reinsured.

The following table presents the balances and changes in the long-term care future policy benefits and expenses reserve:

	March 31, 2024	December 31, 2023
Present value of expected net premiums		
Balance, beginning of period	\$ 36.4	\$ 34.2
Beginning balance at original discount rate	36.5	33.4
Effect of changes in cash flow assumptions (1)	—	1.5
Effect of actual variances from expected experience	—	3.5
Adjusted beginning of period balance	36.5	38.4
Interest accrual	0.9	2.8
Net premiums collected	(1.5)	(4.7)
Ending balance at original discount rate	35.9	36.5
Effect of changes in discount rate assumptions	1.8	(0.1)
Balance, end of period	\$ 37.7	\$ 36.4
Present value of expected future policy benefits		
Balance, beginning of period	\$ 450.6	\$ 462.4
Beginning balance at original discount rate	453.0	444.4
Effect of actual variances from expected experience	—	4.4
Adjusted beginning of period balance	453.0	448.8
Experience variance (2)	(2.2)	1.0
Interest accrual	6.6	19.5
Benefit payments	(6.3)	(16.3)
Ending balance at original discount rate	451.1	453.0
Effect of changes in discount rate assumptions	36.7	(2.4)
Balance, end of period	\$ 487.8	\$ 450.6
Net future policy benefits and expenses		
	\$ 450.1	\$ 414.2
Related reinsurance recoverable	450.1	414.2
Net future policy benefits and expenses, after reinsurance recoverable	\$ —	\$ —
Weighted-average liability duration of the future policy benefits and expenses (in years)	11.9	12.0

- (1) The increase in the effect of changes in cash flow assumptions is due to historical experience reflecting a decreasing trend in lapse and mortality rates on the long-term care insurance products for the year ended December 31, 2023.
- (2) Experience variance includes adverse development resulting from the allocation of the premium deficiency reserve to the cohort level for issue years where net premiums exceed gross premiums.

The following table presents a reconciliation of the long-term care net future policy benefits and expenses to the future policy benefits and expenses reserve in the consolidated balance sheet:

	March 31, 2024	December 31, 2023
Long-term care	\$ 450.1	\$ 414.2
Other	71.4	73.0
Total	\$ 521.5	\$ 487.2

The following table presents the amount of undiscounted expected future benefit payments and expected gross premiums for the long-term care insurance contracts:

	March 31, 2024	December 31, 2023
Expected future benefits payments	\$ 820.8	\$ 829.3
Expected future gross premiums	\$ 66.3	\$ 69.4

The following table presents the amount of long-term care revenue and interest recognized in the consolidated statements of operations:

	March 31, 2024	March 31, 2023
Gross premiums	\$ 1.5	\$ 1.6
Interest expense (original discount rate)	\$ 5.6	\$ 6.3

The following table presents the weighted-average interest rate for long-term care insurance contracts:

	March 31, 2024	March 31, 2023
Interest expense (original discount rate)	5.95 %	5.95 %
Current discount rate	5.05 %	5.35 %

10. Accumulated Other Comprehensive Income

Certain amounts included in the consolidated statements of comprehensive income are net of reclassification adjustments. The following tables summarize those reclassification adjustments (net of taxes) for the periods indicated:

Three Months Ended March 31, 2024					
	Foreign currency translation adjustment	Net unrealized losses on investments	Net unrealized gains on derivative transactions	Unamortized net losses on Pension Plans	Accumulated other comprehensive loss
Balance at December 31, 2023	\$ (351.9)	\$ (305.5)	\$ 8.5	\$ (116.1)	\$ (765.0)
Change in accumulated other comprehensive loss before reclassifications	(8.5)	(43.8)	(0.1)	—	(52.4)
Amounts reclassified from accumulated other comprehensive loss	—	11.6	(3.1)	(2.3)	6.2
Net current-period other comprehensive loss	(8.5)	(32.2)	(3.2)	(2.3)	(46.2)
Balance at March 31, 2024	<u>\$ (360.4)</u>	<u>\$ (337.7)</u>	<u>\$ 5.3</u>	<u>\$ (118.4)</u>	<u>\$ (811.2)</u>

Three Months Ended March 31, 2023					
	Foreign currency translation adjustment	Net unrealized losses on investments	Net unrealized gains on derivative transactions	Unamortized net losses on Pension Plans	Accumulated other comprehensive loss
Balance at December 31, 2022	\$ (394.0)	\$ (513.2)	\$ 9.8	\$ (88.8)	\$ (986.2)
Change in accumulated other comprehensive loss before reclassifications	10.0	76.0	1.1	(0.1)	87.0
Amounts reclassified from accumulated other comprehensive loss	—	3.2	(1.0)	(2.5)	(0.3)
Net current-period other comprehensive loss	10.0	79.2	0.1	(2.6)	86.7
Balance at March 31, 2023	<u>\$ (384.0)</u>	<u>\$ (434.0)</u>	<u>\$ 9.9</u>	<u>\$ (91.4)</u>	<u>\$ (899.5)</u>

The following tables summarize the reclassifications out of AOCI for the periods indicated:

Details about accumulated other comprehensive income components	Amount reclassified from accumulated other comprehensive income		Affected line item in the statement where net income is presented
	Three Months Ended March 31,		
	2024	2023	
Net unrealized losses on investments	\$ 14.7	\$ 4.0	Net realized losses on investments and fair value changes to equity securities
	(3.1)	(0.8)	Provision for income taxes
	<u>\$ 11.6</u>	<u>\$ 3.2</u>	Net of tax
Net unrealized (gains) losses on derivative transactions related to:			
Interest rate derivatives	\$ (0.7)	\$ (1.3)	Interest expense
Foreign exchange derivatives	(3.2)	—	Underwriting, selling, general and administrative expenses
	(3.9)	(1.3)	
	0.8	0.3	Provision for income taxes
	<u>\$ (3.1)</u>	<u>\$ (1.0)</u>	Net of tax
Amortization of pension and postretirement unrecognized net periodic benefit cost:			
Amortization of net loss	\$ 0.3	\$ 0.3	(1)
Amortization of prior service credit	(3.3)	(3.4)	(1)
	(3.0)	(3.1)	
	0.7	0.6	Provision for income taxes
	<u>\$ (2.3)</u>	<u>\$ (2.5)</u>	Net of tax
Total reclassifications for the period	<u>\$ 6.2</u>	<u>\$ (0.3)</u>	Net of tax

(1) These AOCI components are included in the computation of net periodic pension cost. For additional information, see Note 12.

11. Earnings Per Common Share

The following table presents net income, the weighted average common shares used in calculating basic EPS and those used in calculating diluted EPS for each period presented below. Diluted EPS reflects the incremental common shares from common shares issuable upon vesting of performance share units ("PSUs") and the purchase of shares under the Employee Stock Purchase Plan (the "ESPP") using the treasury stock method. The outstanding restricted stock units ("RSUs") have non-forfeitable rights to dividend equivalents and are therefore included in calculating basic and diluted EPS under the two-class method.

Assurant, Inc.

Notes to Consolidated Financial Statements (unaudited)

(in millions, except number of shares and per share amounts)

	Three Months Ended March 31,	
	2024	2023
Numerator		
Net income	\$ 236.4	\$ 113.6
Less: Common stock dividends paid	(37.4)	(37.0)
Undistributed earnings	\$ 199.0	\$ 76.6
Denominator		
Weighted average common shares outstanding used in basic per common share calculations	52,531,865	53,492,413
Incremental common shares from:		
PSUs	340,389	205,749
Weighted average common shares outstanding used in diluted per common share calculations	52,872,254	53,698,162
Earnings per common share – Basic		
Distributed earnings	\$ 0.71	\$ 0.69
Undistributed earnings	3.79	1.43
Net income	\$ 4.50	\$ 2.12
Earnings per common share – Diluted		
Distributed earnings	\$ 0.71	\$ 0.69
Undistributed earnings	3.76	1.43
Net income	\$ 4.47	\$ 2.12

Average PSUs totaling 16,553 and 61,590 for the three months ended March 31, 2024 and 2023, respectively, were anti-dilutive and thus not included in the computation of diluted EPS under the treasury stock method.

12. Retirement and Other Employee Benefits

The Company and its subsidiaries participate in a non-contributory, qualified defined benefit pension plan ("Assurant Pension Plan") covering substantially all employees prior to closing to new hires on January 1, 2014. The Company also has various non-contributory, non-qualified supplemental plans covering certain employees, including the Assurant Executive Pension Plan and the Assurant Supplemental Executive Retirement Plan. The qualified and non-qualified plans are referred to as "Pension Benefits" unless otherwise noted. In addition, the Company provides certain health care benefits ("Retirement Health Benefits") for retired employees and their dependents. The Pension Benefits and Retirement Health Benefits (together, the "Plans") were frozen on March 1, 2016.

In February 2020, the Company amended the Retirement Health Benefits to terminate effective December 31, 2024 (the "Termination Date"). Benefits will be paid up to the Termination Date. The Retirement Health Benefits obligations were re-measured using a discount rate of 1.55%, selected based on a cash flow analysis using a bond yield curve as of February 29, 2020, and the fair market value of the Retirement Health Benefits assets as of February 29, 2020. The remeasurement resulted in a reduction to the Retirement Health Benefits obligations of \$65.6 million and a corresponding prior service credit in AOCI, which will be reclassified from AOCI as it is amortized in the net periodic benefit cost over the remaining period until the Termination Date.

The following tables present the components of net periodic benefit cost for the Plans for the three months ended March 31, 2024 and 2023:

	Qualified Pension Benefits		Unfunded Non-qualified Pension Benefits		Retirement Health Benefits	
	For the Three Months Ended March 31,		For the Three Months Ended March 31,		For the Three Months Ended March 31,	
	2024	2023	2024	2023	2024	2023
Interest cost	\$ 6.7	\$ 7.0	\$ 0.6	\$ 0.6	\$ —	\$ 0.1
Expected return on plan assets	(10.0)	(10.3)	—	—	(0.3)	(0.4)
Amortization of prior service credit	—	—	—	—	(3.3)	(3.4)
Amortization of net loss	—	—	0.3	0.3	—	—
Net periodic benefit cost	\$ (3.3)	\$ (3.3)	\$ 0.9	\$ 0.9	\$ (3.6)	\$ (3.7)

The Assurant Pension Plan funded status was \$86.8 million at March 31, 2024 and \$86.6 million at December 31, 2023 (based on the fair value of the assets compared to the accumulated benefit obligation). This equates to a 116% funded status at both March 31, 2024 and December 31, 2023. During the three months ended March 31, 2024, no cash was contributed to the Assurant Pension Plan. Due to the Assurant Pension Plan's current funded status, no additional cash is expected to be contributed to the Assurant Pension Plan over the remainder of 2024.

13. Restructuring and Related Impairment Charges

In December 2022, the Company finalized its plan to realize greater efficiencies by continuing to simplify its business portfolio and leverage its global footprint to reduce costs. This included realigning its organizational structure and talent to support its business strategy (the "transformational plan"). The Company also accelerated its ongoing real estate consolidation to support work-from-home arrangements given its increasingly hybrid workforce (the "return to work strategy").

In September 2023, the Company amended and extended the December 2022 plan to include additional actions within the initiatives described above, including further consolidation of its real estate portfolio and additional changes to its organizational structure. The Company now expects to be substantially complete with these actions by mid-2025.

The following table summarizes the costs by major type that are recorded in underwriting, selling, general and administrative expenses in the consolidated statements of operations for the three months ended March 31, 2024 and 2023, the estimated remaining costs to be incurred and the estimated total costs. Substantially all of the charges are expected to be cash. Restructuring costs related to strategic exit activities (outside of normal periodic restructuring and cost management activities) are not allocated to a reportable segment.

	Costs Incurred for Three Months Ended March 31,		Estimated Remaining	
	2024	2023	Costs	Estimated Total Costs
Transformational plan:				
Severance and other employee benefits	\$ —	\$ (1.6)	\$ 3.5	\$ 56.2
Total transformational plan	—	(1.6)	3.5	56.2
Return to work strategy:				
Contract exit costs	—	4.9	1.1	23.1
Fixed asset impairment	—	—	—	2.3
Right-of-use asset impairment	—	3.1	—	10.2
Total return to work strategy	—	8.0	1.1	35.6
Total restructuring and impairment charges	\$ —	\$ 6.4	\$ 4.6	\$ 91.8

The following table shows the rollforward of the accrued liability by major type.

	Transformational Plan	Return to Work Strategy (contract exit costs)
Balance at January 1, 2024	\$ 27.8	\$ 17.1
Cash payments	(7.8)	(2.7)
Balance at March 31, 2024	\$ 20.0	\$ 14.4

14. Commitments and Contingencies

Letters of Credit

In the normal course of business, letters of credit are issued primarily to support reinsurance arrangements in which the Company is the reinsurer. These letters of credit are supported by commitments under which the Company is required to indemnify the financial institution issuing the letter of credit if the letter of credit is drawn. The Company had \$1.8 million and \$2.9 million of letters of credit outstanding as of March 31, 2024 and December 31, 2023, respectively.

Legal and Regulatory Matters

The Company is involved in a variety of litigation and legal and regulatory proceedings relating to its current and past business operations and, from time to time, it may become involved in other such actions. The Company continues to defend itself vigorously in these proceedings. The Company has participated and may participate in settlements on terms that the Company considers reasonable.

The Company has established an accrued liability for certain legal and regulatory proceedings. The possible loss or range of loss resulting from such litigation and regulatory proceedings, if any, in excess of the amounts accrued is inherently unpredictable and uncertain. Consequently, no estimate can be made of any possible loss or range of loss in excess of the accrual. Although the Company cannot predict the outcome of any pending legal or regulatory proceeding, or the potential losses, fines, penalties or equitable relief, if any, that may result, it is possible that such outcome could have a material adverse effect on the Company's consolidated results of operations or cash flows for an individual reporting period. However, on the basis of currently available information, management does not believe that the pending matters are likely to have a material adverse effect, individually or in the aggregate, on the Company's financial condition.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

(In millions, except number of shares and per share amounts)

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") and the annual audited consolidated financial statements for the year ended December 31, 2023 and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2023 (the "2023 Annual Report") filed with the U.S. Securities and Exchange Commission (the "SEC") and the unaudited consolidated financial statements for the three months ended March 31, 2024 and accompanying notes (the "Consolidated Financial Statements") included elsewhere in this Quarterly Report on Form 10-Q (this "Report"). The following discussion and analysis covers the three months ended March 31, 2024 ("First Quarter 2024") and the three months ended March 31, 2023 ("First Quarter 2023").

Some of the statements in this Report, including our business and financial plans and any statements regarding our anticipated future financial performance, business prospects, growth and operating strategies and similar matters, may constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. You can identify these statements by the use of words such as "outlook," "objective," "will," "may," "can," "anticipates," "expects," "estimates," "projects," "intends," "plans," "believes," "targets," "forecasts," "potential," "approximately," and the negative version of those words and other words and terms with a similar meaning. Any forward-looking statements contained in this Report are based upon our historical performance and on current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that our future plans, estimates or expectations will be achieved. Our actual results might differ materially from those projected in the forward-looking statements. We undertake no obligation to update or review any forward-looking statement, whether as a result of new information, future events or other developments. The following factors could cause our actual results to differ materially from those currently estimated by management:

- (i) the loss of significant clients, distributors or other parties with whom we do business, or if we are unable to renew contracts with them on favorable terms, or if they disintermediate us, or if those parties face financial, reputational or regulatory issues;
- (ii) significant competitive pressures, changes in customer preferences and disruption;
- (iii) the failure to execute our strategy, including through the continuing service of key executives, senior leaders, highly-skilled personnel and a high-performing workforce;
- (iv) the failure to find suitable acquisitions at attractive prices, integrate acquired businesses or divest of non-strategic businesses effectively or achieve organic growth;
- (v) our inability to recover should we experience a business continuity event;
- (vi) the failure to manage vendors and other third parties on whom we rely to conduct business and provide services to our clients;
- (vii) risks related to our international operations;
- (viii) declines in the value and availability of mobile devices, and regulatory compliance or other risks in our mobile business;
- (ix) our inability to develop and maintain distribution sources or attract and retain sales representatives and executives with key client relationships;
- (x) risks associated with joint ventures, franchises and investments in which we share ownership and management with third parties;
- (xi) the impact of catastrophe and non-catastrophe losses, including as a result of the current inflationary environment and climate change;
- (xii) negative publicity relating to our business, industry or clients;
- (xiii) the impact of general economic, financial market and political conditions (including the Israel-Hamas war) and conditions in the markets in which we operate, including the current inflationary environment;
- (xiv) the adequacy of reserves established for claims and our inability to accurately predict and price for claims and other costs;
- (xv) a decline in financial strength ratings of our insurance subsidiaries or in our corporate senior debt ratings;

- (xvi) fluctuations in exchange rates, including in the current environment;
- (xvii) an impairment of goodwill or other intangible assets;
- (xviii) the failure to maintain effective internal control over financial reporting;
- (xix) unfavorable conditions in the capital and credit markets;
- (xx) a decrease in the value of our investment portfolio, including due to market, credit and liquidity risks, and changes in interest rates;
- (xxi) an impairment in the value of our deferred tax assets;
- (xxii) the unavailability or inadequacy of reinsurance coverage and the credit risk of reinsurers, including those to whom we have sold business through reinsurance;
- (xxiii) the credit risk of some of our agents, third-party administrators and clients;
- (xxiv) the inability of our subsidiaries to pay sufficient dividends to the holding company and limitations on our ability to declare and pay dividends or repurchase shares;
- (xxv) limitations in the analytical models we use to assist in our decision-making;
- (xxvi) the failure to effectively maintain and modernize our technology systems and infrastructure, or the failure to integrate those of acquired businesses;
- (xxvii) breaches of our technology systems or those of third parties with whom we do business, or the failure to protect the security of data in such systems, including due to cyberattacks and as a result of working remotely;
- (xxviii) the costs of complying with, or the failure to comply with, extensive laws and regulations to which we are subject, including those related to privacy, data security, data protection and tax;
- (xxix) the impact of litigation and regulatory actions;
- (xxx) reductions or deferrals in the insurance premiums we charge;
- (xxxi) changes in insurance, tax and other regulations, including the Inflation Reduction Act of 2022;
- (xxxii) volatility in our common stock price and trading volume; and
- (xxxiii) employee misconduct.

For additional information on factors that could affect our actual results, please refer to “Critical Factors Affecting Results” below and in Item 7 of our 2023 Annual Report, and “Item 1A—Risk Factors” below and in our 2023 Annual Report.

Segment Information

As of March 31, 2024, we had two reportable operating segments which are defined based on the manner in which the Company’s chief operating decision maker, our Chief Executive Officer (“CEO”), reviews the business to assess performance and allocate resources, and which align to the nature of the products and services offered:

- Global Lifestyle: includes mobile device solutions (including extended service contracts, insurance policies and related services), extended service contracts and related services for consumer electronics and appliances, and credit and other insurance products (referred to as “Connected Living”); and vehicle protection services, commercial equipment services and other related services (referred to as “Global Automotive”); and
- Global Housing: includes lender-placed homeowners, manufactured housing and flood insurance, as well as voluntary manufactured housing, condominium and homeowners insurance (referred to as “Homeowners”); and renters insurance and other products (referred to as “Renters and Other”).

In addition, we report the Corporate and Other segment, which includes corporate employee-related expenses and activities of the holding company.

We define Adjusted EBITDA, our segment measure of profitability, as net income, excluding net realized gains (losses) on investments and fair value changes to equity securities, non-core operations (which consists of certain businesses which we have fully exited or expect to fully exit, including the long-tail commercial liability businesses (sharing economy and small commercial businesses), certain legacy long-duration insurance policies and our operations in mainland China (not Hong Kong)), restructuring costs related to strategic exit activities (outside of normal periodic restructuring and cost management activities), Assurant Health runoff operations, interest expense, provision (benefit) for income taxes, depreciation expense, amortization of purchased intangible assets, as well as other highly variable or unusual items.

Executive Summary

Summary of Financial Results

Consolidated net income increased \$122.8 million to \$236.4 million for First Quarter 2024 from \$113.6 million for First Quarter 2023, primarily due to higher segment earnings and lower reportable catastrophes (defined as individual catastrophic events that generate losses in excess of \$5.0 million pre-tax, net of reinsurance and client profit sharing adjustments, and including reinstatement and other premiums) within Global Housing.

Global Lifestyle Adjusted EBITDA increased \$8.8 million, or 4%, to \$207.7 million for First Quarter 2024 from \$198.9 million for First Quarter 2023, as growth in Connected Living was partially offset by lower results in Global Automotive. Connected Living increased primarily due to stronger mobile device protection results across carrier and cable operator clients in North America, higher investment income, and a one-time \$6.9 million client contract benefit. Connected Living results were partially offset by new client and program implementation expenses as well as unfavorable foreign exchange. Global Automotive decreased mainly due to ongoing elevated claims costs from inflation and the normalization of select ancillary products, partially offset by higher investment income.

Global Lifestyle net earned premiums, fees and other income increased \$147.5 million, or 7%, to \$2.19 billion for First Quarter 2024 from \$2.04 billion for First Quarter 2023, primarily driven by Connected Living from mobile growth, including contributions from newly launched trade-in programs and device protection programs in North America, as well as growth in Global Automotive from prior period sales.

Global Housing Adjusted EBITDA increased \$124.1 million, or 181%, to \$192.5 million for First Quarter 2024 from \$68.4 million for First Quarter 2023, including \$36.6 million of lower pre-tax reportable catastrophes. Excluding reportable catastrophes, Adjusted EBITDA increased \$87.5 million, or 74%, with over half of the increase driven by lower non-catastrophe loss experience, including impacts from lower claims severity and a \$15.7 million favorable year-over-year impact from prior period reserve development. Results also benefited from continued top-line growth within Homeowners, ongoing expense leverage from scale and operational efficiencies, and lower catastrophe reinsurance premiums.

Global Housing net earned premiums, fees and other income increased \$66.9 million, or 13%, to \$572.2 million for First Quarter 2024 from \$505.3 million for First Quarter 2023, mainly driven by Homeowners top-line growth, including higher average premiums and growth in policies in-force within lender-placed. Lower catastrophe reinsurance premiums, including impacts from changing the timing of program placement, and growth in Renters and Other also contributed to the increase.

Corporate and Other Adjusted EBITDA was \$(29.5) million for First Quarter 2024 compared to \$(24.4) million for First Quarter 2023, primarily driven by higher expenses to support enterprise growth initiatives.

Critical Factors Affecting Results

Our results depend on, among other things, the appropriateness of our product pricing, underwriting, the accuracy of our reserving methodology for future policyholder benefits and claims, the frequency and severity of reportable and non-reportable catastrophes, returns on and values of invested assets, our investment income, and our ability to realize greater operational efficiencies and manage our expenses. Our results also depend on our ability to profitably grow our businesses, including our Connected Living and Global Automotive businesses, and the performance of our Homeowners business. Factors affecting these items, including conditions in the financial markets, the global economy, political conditions and the markets in which we operate, fluctuations in exchange rates, interest rates and inflation, including the current period of inflationary pressures which have impacted claims costs primarily in the Homeowners and the Global Automotive businesses, may have a material adverse effect on our results of operations or financial condition. For more information on these and other factors that could affect our results, see "Item 1A—Risk Factors" below and in our 2023 Annual Report, and "Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Factors Affecting Results" in our 2023 Annual Report.

Our results may be impacted by our ability to continue to grow in the markets in which we operate, including in our Connected Living and Global Automotive businesses, which will be impacted by our ability to provide a superior digital-first customer experience, including from our investments in technology and digital initiatives, capitalize on the connected home opportunity and investments to onboard and ramp-up new business. Our mobile business is subject to volatility in mobile device trade-in volumes and margins based on the actual and anticipated timing of the release of new devices, carrier promotional programs and sales prices for used devices, as well as to changes in consumer preferences. Our Homeowners revenues is impacted by changes in the housing market. In addition, across many of our businesses, we must respond to competitive pressures, including the threat of disruption and competition for talent, which has increased due to labor shortages and wage inflation. See "Item 1A—Risk Factors—Business, Strategic and Operational Risks—Significant competitive pressures, changes in customer preferences and disruption could adversely affect our results of operations", "—Our mobile business is subject to the risk of declines in the value and availability of mobile devices, and to regulatory compliance and other risks" and "—The success of our business depends on the execution of our strategy, including through the continuing service of key executives, senior leaders, highly-skilled personnel and a high-performing workforce" in our 2023 Annual Report.

Critical Accounting Policies and Estimates

Our 2023 Annual Report describes the accounting policies and estimates that are critical to the understanding of our results of operations, financial condition and liquidity. The accounting policies and estimation process described in the 2023 Annual Report were consistently applied to the unaudited interim Consolidated Financial Statements for First Quarter 2024.

Recent Accounting Pronouncements

For a discussion of recent accounting pronouncements, see Note 3 to the Consolidated Financial Statements included elsewhere in this Report.

Results of Operations

Assurant Consolidated

The table below presents information regarding our consolidated results of operations for the periods indicated:

	For the Three Months Ended March 31,	
	2024	2023
Revenues:		
Net earned premiums	\$ 2,376.5	\$ 2,265.5
Fees and other income	385.7	282.7
Net investment income	126.7	105.2
Net realized losses on investments and fair value changes to equity securities	(8.8)	(10.6)
Total revenues	2,880.1	2,642.8
Benefits, losses and expenses:		
Policyholder benefits	623.1	645.6
Underwriting, selling, general and administrative expenses	1,937.3	1,823.2
Interest expense	26.8	27.0
Gain on extinguishment of debt	—	(0.1)
Total benefits, losses and expenses	2,587.2	2,495.7
Income before provision for income taxes	292.9	147.1
Provision for income taxes	56.5	33.5
Net income	\$ 236.4	\$ 113.6

For the Three Months Ended March 31, 2024 Compared to the Three Months Ended March 31, 2023

Net income increased \$122.8 million to \$236.4 million for First Quarter 2024 from \$113.6 million for First Quarter 2023, primarily due to higher earnings in Global Housing, including \$28.9 million of lower after-tax reportable catastrophes, a lower annualized effective tax rate, mainly due to transferable tax credits and a favorable mix of foreign business, a \$7.7 million favorable change in after-tax foreign exchange related gains (losses), \$7.7 million of lower after-tax losses from our non-core operations and higher earnings in Global Lifestyle. The increase in net income was partially offset by the absence of a \$5.9 million after-tax gain for Assurant Health runoff operations from First Quarter 2023 related to our prior participation in the risk adjustment program introduced by the Patient Protection and Affordable Care Act of 2010.

Global Lifestyle

The table below presents information regarding the Global Lifestyle segment's results of operations for the periods indicated:

	For the Three Months Ended March 31,	
	2024	2023
Revenues		
Net earned premiums	\$ 1,834.3	\$ 1,788.1
Fees and other income	353.5	252.2
Net investment income	90.2	76.7
Total revenues	2,278.0	2,117.0
Benefits, losses and expenses		
Policyholder benefits	417.7	371.0
Underwriting, selling, general and administrative expenses	1,652.6	1,547.1
Total benefits, losses and expenses	2,070.3	1,918.1
Global Lifestyle Adjusted EBITDA	\$ 207.7	\$ 198.9
Net earned premiums, fees and other income:		
Connected Living	\$ 1,140.3	\$ 1,026.6
Global Automotive	1,047.5	1,013.7
Total	\$ 2,187.8	\$ 2,040.3
Net earned premiums, fees and other income:		
Domestic	\$ 1,716.5	\$ 1,609.8
International	471.3	430.5
Total	\$ 2,187.8	\$ 2,040.3

For the Three Months Ended March 31, 2024 Compared to the Three Months Ended March 31, 2023

Adjusted EBITDA increased \$8.8 million, or 4%, to \$207.7 million for First Quarter 2024 from \$198.9 million for First Quarter 2023, primarily driven by higher net investment income across Global Lifestyle, as well as growth in Connected Living from stronger mobile device protection results across carrier and cable operator clients in North America and a one-time \$6.9 million client contract benefit in extended service contracts in First Quarter 2024. The increase in Adjusted EBITDA was partially offset by ongoing elevated claims costs in Global Automotive, including higher labor and parts costs due to inflation, and the normalization of select ancillary products, and new client and program implementation expenses as well as the unfavorable impact of foreign exchange.

Total revenues increased \$161.0 million, or 8%, to \$2.28 billion for First Quarter 2024 from \$2.12 billion for First Quarter 2023. Fees and other income increased \$101.3 million, or 40%, primarily due to contributions from newly launched mobile trade-in programs. Net earned premiums increased \$46.2 million, or 3%, primarily driven by growth from prior period sales in Global Automotive and growth in North American mobile device protection programs in Connected Living. Net investment income increased \$13.5 million, or 18%, primarily due to higher yields on fixed maturity securities, cash and cash equivalents and short-term investments.

Total benefits, losses and expenses increased \$152.2 million, or 8%, to \$2.07 billion for First Quarter 2024 from \$1.92 billion for First Quarter 2023. Underwriting, selling, general and administrative expenses increased \$105.5 million, or 7%, primarily due to higher cost of sales in Connected Living from newly launched mobile trade-in programs and higher commission expenses due to growth from prior period sales in the Global Automotive business. Policyholder benefits increased \$46.7 million, or 13%, primarily due to ongoing elevated claims costs in Global Automotive, as described above, and from higher claims in the European mobile business in Connected Living.

Global Housing

The table below presents information regarding the Global Housing segment's results of operations for the periods indicated:

	For the Three Months Ended March 31,	
	2024	2023
Revenues		
Net earned premiums	\$ 540.6	\$ 475.0
Fees and other income	31.6	30.3
Net investment income	28.5	21.2
Total revenues	600.7	526.5
Benefits, losses and expenses		
Policyholder benefits	200.3	258.9
Underwriting, selling, general and administrative expenses	207.9	199.2
Total benefits, losses and expenses	408.2	458.1
Global Housing Adjusted EBITDA	\$ 192.5	\$ 68.4
Impact of reportable catastrophes	\$ 12.9	\$ 49.5
Net earned premiums, fees and other income		
Homeowners	\$ 447.4	\$ 391.4
Renters and Other	124.8	113.9
Total	\$ 572.2	\$ 505.3

For the Three Months Ended March 31, 2024 Compared to the Three Months Ended March 31, 2023

Adjusted EBITDA increased \$124.1 million, or 181%, to \$192.5 million for First Quarter 2024 from \$68.4 million for First Quarter 2023, mainly due to lower non-catastrophe loss experience, including the impacts of lower severity and a \$15.7 million year-over-year impact from favorable prior period reserve development, a \$36.6 million decrease in reportable catastrophes, continued net earned premiums growth within Homeowners, ongoing expense leverage from scale and operating efficiencies, and lower catastrophe reinsurance premiums, including impacts from changing the timing of program placement in this initial year of transition to a single placement date.

Total revenues increased \$74.2 million, or 14%, to \$600.7 million for First Quarter 2024 from \$526.5 million for First Quarter 2023. Net earned premiums increased \$65.6 million, or 14%, primarily driven by Homeowners from higher lender-placed average insured values and policies in force, as well as higher premium rates primarily to address increased claims severity, and lower catastrophe reinsurance premiums, including impacts from the changes described above. The increase was partially offset by exits from certain international markets. Net investment income increased \$7.3 million, or 34%, primarily due to higher yields on fixed maturity securities, cash and cash equivalents and short-term investments. Fees and other income increased \$1.3 million, or 4%, mainly driven by an increase in Renters and Other.

Total benefits, losses and expenses decreased \$49.9 million, or 11%, to \$408.2 million for First Quarter 2024 from \$458.1 million for First Quarter 2023. Policyholder benefits decreased \$58.6 million, or 23%, primarily due to lower reportable catastrophe losses, lower non-catastrophe losses, including the impact from favorable prior period reserve developments and lower severity. Underwriting, selling, general and administrative expenses increased \$8.7 million, or 4%, primarily due to lower reimbursements related to the National Flood Insurance Program due to processing fewer flood claims for Hurricane Ian.

Corporate and Other

The tables below present information regarding the Corporate and Other's segment results of operations for the periods indicated:

	For the Three Months Ended March 31,	
	2024	2023
Revenues		
Net earned premiums	\$ —	\$ —
Fees and other income	0.2	0.1
Net investment income	5.6	4.5
Total revenues	5.8	4.6
Benefits, losses and expenses		
Policyholder benefits	—	0.1
General and administrative expenses	35.3	28.9
Total benefits, losses and expenses	35.3	29.0
Corporate and Other Adjusted EBITDA	\$ (29.5)	\$ (24.4)

For the Three Months Ended March 31, 2024 Compared to the Three Months Ended March 31, 2023

Adjusted EBITDA was \$(29.5) million for First Quarter 2024 compared to \$(24.4) million for First Quarter 2023. The change in results was primarily due to higher third-party consulting and employee-related expenses to support enterprise growth initiatives, partially offset by higher net investment income.

Total revenues increased \$1.2 million, or 26%, to \$5.8 million for First Quarter 2024 from \$4.6 million for First Quarter 2023, primarily driven by an increase in net investment income of \$1.1 million, or 24%, mostly due to higher yields and asset balances for fixed maturity securities.

Total benefits, losses and expenses increased \$6.3 million, or 22%, to \$35.3 million for First Quarter 2024 from \$29.0 million for First Quarter 2023, primarily driven by higher third-party consulting and employee-related expenses to support enterprise growth initiatives.

Investments

We had total investments of \$8.47 billion and \$8.22 billion as of March 31, 2024 and December 31, 2023, respectively. Net unrealized losses on our fixed maturity securities portfolio increased by \$23.5 million during First Quarter 2024, from \$380.3 million as of December 31, 2023 to a net unrealized loss of \$403.8 million as of March 31, 2024, primarily due to an increase in Treasury yields.

The following table shows the credit quality of our fixed maturity securities portfolio as of the dates indicated:

Fixed Maturity Securities by Credit Quality	Fair value as of			
	March 31, 2024		December 31, 2023	
Aaa / Aa / A	\$ 4,139.7	57.4 %	\$ 3,958.7	57.3 %
Baa	2,651.6	36.8 %	2,564.8	37.1 %
Ba	339.7	4.7 %	318.6	4.6 %
B and lower	83.1	1.1 %	70.0	1.0 %
Total	\$ 7,214.1	100.0 %	\$ 6,912.1	100.0 %

The following table shows the major categories of net investment income for the periods indicated:

	Three Months Ended March 31,	
	2024	2023
Fixed maturity securities	\$ 90.8	\$ 78.6
Equity securities	3.5	3.9
Commercial mortgage loans on real estate	4.8	4.1
Short-term investments	5.3	2.7
Other investments	6.3	3.0
Cash and cash equivalents	19.8	16.8
Total investment income	130.5	109.1
Investment expenses	(3.8)	(3.9)
Net investment income	\$ 126.7	\$ 105.2

Net investment income increased \$21.5 million, or 20%, to \$126.7 million for First Quarter 2024 from \$105.2 million for First Quarter 2023. The increase was primarily driven by higher yields and assets in fixed maturity securities, cash and cash equivalents and short-term investments. In addition, there was increased income in other investments primarily from the sale of a real estate joint venture.

Net realized losses on investments and fair value changes to equity securities decreased \$1.8 million, or 17%, to \$8.8 million for First Quarter 2024 from \$10.6 million for First Quarter 2023. The decrease in net realized losses was primarily driven by increased fair values in equity securities and a realized gain on a sale in other investments. This was offset by increased realized losses on sales in fixed maturities and impairments of other investments for First Quarter 2024.

Catastrophe Reinsurance Program

We consolidated our main reinsurance purchases into a single placement date of April 2024. Coverage was placed with more than 40 reinsurers that are all rated A- or better by A.M. Best. As of March 31, 2024, 2024 reinsurance premiums for the total program are estimated to be \$190.2 million pre-tax compared to \$207.2 million pre-tax for 2023, reflecting impacts from changing the timing of program placement in this initial year of transition to a single placement date, as well as favorable underlying rates from improved reinsurance market conditions. Actual reinsurance premiums will vary if exposure changes significantly from estimates or if reinstatement premiums are required due to catastrophe events.

The U.S. per-occurrence catastrophe coverage includes a main reinsurance program providing \$1.48 billion of coverage in excess of a \$150.0 million retention for a first event. Layers 1 through 6 of the program allow for one automatic reinstatement. Layer 7, which includes \$100.0 million of coverage, will be placed in June 2024. When combined with the Florida Hurricane Catastrophe Fund, the U.S. program protects against gross Florida losses of up to approximately \$1.69 billion, in excess of retention.

Liquidity and Capital Resources

Management believes that we will have sufficient liquidity to satisfy our needs over the next twelve months, including the ability to pay interest on our debt and dividends on our common stock.

During third quarter 2023, we submitted an agreement to sell our Miami, Florida office (the "Agreement") to a potential acquiror, which is subject to ongoing review, approval, execution and other conditions. If the transaction is consummated pursuant to the terms of the Agreement, we expect to record a gain above the current carrying value of \$46.0 million as of March 31, 2024. We do not anticipate that the gain will impact our capital deployment priorities. The entry into a definitive agreement and the consummation of the transaction are subject to significant uncertainty. There can be no assurance that a definitive agreement will be executed or that any transaction will be approved or consummated.

Regulatory Requirements

Assurant, Inc. is a holding company and, as such, has limited direct operations of its own. Our assets consist primarily of the capital stock of our subsidiaries. Accordingly, our future cash flows depend upon the availability of dividends and other statutorily permissible payments from our subsidiaries, such as payments under our tax allocation agreement and under management agreements with our subsidiaries. Our subsidiaries' ability to pay such dividends and make such other payments is regulated by the states and territories in which our subsidiaries are domiciled. These dividend regulations vary from jurisdiction to jurisdiction and by type of insurance provided by the applicable subsidiary, but generally require our insurance subsidiaries to maintain minimum solvency requirements and limit the amount of dividends these subsidiaries can pay to the holding company. See "Item 1—Business—Regulation—U.S. Insurance Regulation" and "Item 1A—Risk Factors—Legal and Regulatory Risks—Changes in insurance regulation may reduce our profitability and limit our growth" in our 2023 Annual Report. Along with solvency regulations, the primary driver in determining the amount of capital used for dividends from insurance subsidiaries is the level of capital needed to maintain desired financial strength ratings from A.M. Best Company ("A.M. Best"). For the year ending December 31, 2024, the maximum amount of dividends our regulated U.S. domiciled insurance subsidiaries could pay us, under applicable laws and regulations currently in effect and without prior regulatory approval, is approximately \$592.4 million. In addition, our international and non-insurance subsidiaries provide additional sources of dividends.

Regulators or rating agencies could become more conservative in their methodology and criteria, increasing capital requirements for our insurance subsidiaries or the enterprise. For further information on our ratings and the risks of ratings downgrades, see "Item 1—Business—Ratings" and "Item 1A—Risk Factors—Financial Risks—A decline in the financial strength ratings of our insurance subsidiaries could adversely affect our results of operations and financial condition" in our 2023 Annual Report.

Holding Company

As of March 31, 2024, we had approximately \$622.3 million in holding company liquidity, which was \$397.3 million above our targeted minimum level of \$225.0 million. The target minimum level of holding company liquidity, which can be used for unforeseen capital needs at our subsidiaries or liquidity needs at the holding company, is calibrated based on approximately one year of corporate operating losses and interest expenses. We use the term "holding company liquidity" to represent the portion of cash and other liquid marketable securities held at Assurant, Inc. (out of a total of \$711.9 million as of March 31, 2024) which we are not otherwise holding for a specific purpose as of the balance sheet date. We can use such assets for stockholder dividends, stock repurchases, acquisitions and other corporate purposes.

Dividends or returns of capital paid by our subsidiaries to the holding company, net of infusions of liquid assets and excluding amounts used for or as a result of acquisitions or received from dispositions, were \$253.5 million and \$772.6 million for First Quarter 2024 and Twelve Months 2023, respectively. We use these cash inflows primarily to pay holding company operating expenses, to make interest payments on indebtedness, to make dividend payments to our common stockholders, to repurchase our common stock and to fund investments and acquisitions. From time to time, we may also seek to purchase outstanding debt in open market repurchases or privately negotiated transactions.

Dividends and Repurchases

During First Quarter 2024, we made common stock repurchases and paid common stock dividends of \$77.3 million. We paid dividends of \$0.72 per common share on March 25, 2024 to stockholders of record as of February 5, 2024. Any determination to pay future dividends will be at the discretion of the Board and will be dependent upon various factors, including: our subsidiaries' payments of dividends and other statutorily permissible payments to us; our results of operations and cash flows; our financial condition and capital requirements; general business conditions and growth prospects; any legal, tax, regulatory and contractual restrictions on the payment of dividends; and any other factors the Board deems relevant. The Credit Facility (as defined below) also contains limitations on our ability to pay dividends to our stockholders and repurchase capital stock if we are in default, or such dividend payments or repurchases would cause us to be in default, of our obligations thereunder. In addition, if we elect to defer the payment of interest on our 7.00% Fixed-to-Floating Rate Subordinated Notes due March 2048 or our 5.25% Subordinated Notes due January 2061 (refer to "—Senior and Subordinated Notes" below), we generally may not make payments on or repurchase any shares of our capital stock.

During First Quarter 2024, we repurchased 225,406 shares of our outstanding common stock at a cost of \$39.9 million, exclusive of commissions. In May 2021, the Board authorized a share repurchase program for up to \$900.0 million of our outstanding common stock. In November 2023, the Board authorized an additional share repurchase program for up to \$600.0 million of our outstanding common stock. As of March 31, 2024, \$634.6 million aggregate cost at purchase remained unused under the current repurchase authorizations. The timing and the amount of future repurchases will depend on various factors, including those listed above.

Assurant Subsidiaries

The primary sources of funds for our subsidiaries consist of premiums and fees collected, proceeds from the sales and maturity of investments and net investment income. Cash is primarily used to pay insurance claims, agent commissions, operating expenses and taxes. We generally invest our subsidiaries' funds in order to generate investment income.

We conduct periodic asset liability studies to measure the duration of our insurance liabilities, to develop optimal asset portfolio maturity structures for our significant lines of business and ultimately to assess that cash flows are sufficient to meet the timing of cash needs. These studies are conducted in accordance with formal company-wide Asset Liability Management guidelines.

To complete a study for a particular line of business, models are developed to project asset and liability cash flows and balance sheet items under a varied set of plausible economic scenarios. These models consider many factors including the current investment portfolio, the required capital for the related assets and liabilities, our tax position and projected cash flows from both existing and projected new business. For risks related to modeling, see "Item 1A – Risk Factors – Financial Risks – Actual results may differ materially from the analytical models we use to assist in our decision-making in key areas such as pricing, catastrophe risks, reserving and capital management." in our 2023 Annual Report.

Alternative asset portfolio structures are analyzed for significant lines of business. An investment portfolio maturity structure is then selected from these profiles given our return hurdle and risk appetite. Scenario testing of significant liability assumptions and new business projections is also performed.

Our liabilities generally have limited policyholder optionality, which means that the timing of payments is generally insensitive to the interest rate environment. In addition, our investment portfolio is largely comprised of highly liquid public fixed-maturity securities with a sufficient component of such securities invested that are near maturity which may be sold with minimal risk of loss to meet cash needs.

Generally, our subsidiaries' premiums, fees and investment income, along with planned asset sales and maturities, provide sufficient cash to pay claims and expenses. However, there may be instances when unexpected cash needs arise in excess of what is available from usual operating sources. In such instances, we have several options to raise needed funds, including selling assets from the subsidiaries' investment portfolios, using holding company cash (if available), issuing commercial paper, or drawing funds from the Credit Facility.

Senior and Subordinated Notes

The following table shows the principal amount and carrying value of our outstanding debt, less unamortized discount and issuance costs as applicable, as of March 31, 2024 and December 31, 2023:

	March 31, 2024		December 31, 2023	
	Principal Amount	Carrying Value	Principal Amount	Carrying Value
6.10% Senior Notes due February 2026	\$ 175.0	\$ 173.8	\$ 175.0	\$ 173.7
4.90% Senior Notes due March 2028	300.0	298.3	300.0	298.2
3.70% Senior Notes due February 2030	350.0	347.9	350.0	347.9
2.65% Senior Notes due January 2032	350.0	347.1	350.0	347.0
6.75% Senior Notes due February 2034	275.0	272.8	275.0	272.7
7.00% Fixed-to-Floating Rate Subordinated Notes due March 2048	400.0	397.2	400.0	397.0
5.25% Subordinated Notes due January 2061	250.0	244.1	250.0	244.1
Total Debt		<u>\$ 2,081.2</u>		<u>\$ 2,080.6</u>

In the next five years, we have a debt maturity in each of February 2026 and March 2028, when the 2026 Senior Notes and the 2028 Senior Notes, respectively, become due and payable.

Credit Facility and Commercial Paper Program

We have a \$500.0 million five-year senior unsecured revolving credit facility (the "Credit Facility") with a syndicate of banks arranged by JPMorgan Chase Bank, N.A. and Wells Fargo Bank, National Association. The Credit Facility provides for revolving loans and the issuance of multi-bank, syndicated letters of credit and letters of credit from a sole issuing bank in an aggregate amount of \$500.0 million, which may be increased up to \$700.0 million. The Credit Facility is available until December 2026, provided we are in compliance with all covenants. The Credit Facility has a sublimit for letters of credit issued thereunder of \$50.0 million. The proceeds from these loans may be used for our commercial paper program or for general corporate purposes.

We made no borrowings under the Credit Facility during First Quarter 2024 and no loans were outstanding as of March 31, 2024.

Our commercial paper program requires us to maintain liquidity facilities either in an available amount equal to any outstanding notes from the program or in an amount sufficient to maintain the ratings assigned to the notes issued from the program. Our commercial paper is rated AMB-1+ by A.M. Best, P-2 by Moody's and A-2 by S&P. This program is currently backed up by the Credit Facility, of which \$500.0 million was available as of March 31, 2024.

We did not use the commercial paper program during First Quarter 2024 and there were no amounts relating to the commercial paper program outstanding as of March 31, 2024. Our subsidiaries do not maintain commercial paper or other borrowing facilities.

Cash Flows

We monitor cash flows at the consolidated and entity levels. Cash flow forecasts at the consolidated and entity levels are provided on a monthly basis, and we use trend and variance analyses to project future cash needs making adjustments to the forecasts when needed.

The table below shows our net cash flows for the periods indicated:

	For the Three Months Ended March 31,	
	2024	2023
Net cash provided by (used in):		
Operating activities	\$ 82.5	\$ 259.6
Investing activities	(328.2)	(229.4)
Financing activities	(96.2)	(43.0)
Effect of exchange rate changes on cash and cash equivalents	(3.6)	1.7
Net change in cash	\$ (345.5)	\$ (11.1)

We typically generate operating cash inflows from premiums collected from our insurance products, fees received for services and income received from our investment portfolio, while outflows generally consist of policy acquisition costs, benefits paid and operating expenses. These net cash flows are then invested to meet the obligations of our insurance products and required capital supporting these products. Our cash flows from operating activities are affected by the timing of premiums, fees, and investment income received and expenses paid.

Net cash provided by operating activities was \$82.5 million for First Quarter 2024 compared to net cash provided by operating activities of \$259.6 million for First Quarter 2023. The change in net operating cash flows was largely attributable to the timing of payments to various vendors for the acquisition of mobile devices used to meet insurance claims or generate profits through sales to third parties, higher net paid claims and an increase in incentive-based payments related to the performance of the Company. This is partially offset by the timing of higher collections of premiums and fees in our mobile business operations.

Net cash used in investing activities was \$328.2 million for First Quarter 2024 compared to net cash used in investing activities of \$229.4 million for First Quarter 2023. The change in net investing cash flows was primarily driven by the investment of net cash provided by operating activities and the reinvestment of proceeds from sales of maturities of investments in higher yielding fixed maturity securities during the period. Also contributing to the change was an increase in sales of short-term investments due to the timing of working capital needs.

Net cash used in financing activities was \$96.2 million for First Quarter 2024 compared to net cash used in financing activities of \$43.0 million for First Quarter 2023. The change in net financing cash flows was primarily due to higher share repurchases for Three Months 2024.

The table below shows our cash outflows for interest and dividends for the periods indicated:

	For the Three Months Ended March 31,	
	2024	2023
Interest paid on debt	\$ 50.4	\$ 49.5
Common stock dividends	37.4	37.0
Total	\$ 87.8	\$ 86.5

Letters of Credit

In the normal course of business, letters of credit are issued primarily to support reinsurance arrangements in which we are the reinsurer. These letters of credit are supported by commitments under which we are required to indemnify the financial institution issuing the letter of credit if the letter of credit is drawn. We had \$1.8 million and \$2.9 million of letters of credit outstanding as of March 31, 2024 and December 31, 2023, respectively.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

For the Company's market risk disclosures, please refer to "Item 7A—Quantitative and Qualitative Disclosures About Market Risk" in our 2023 Annual Report and "Item 2—Management's Discussion and Analysis of Financial Condition and Results of Operations—Investments" in this Report.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), has evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of March 31, 2024. Based on such evaluation, management, including our CEO and CFO, has concluded that as of March 31, 2024, our disclosure controls and procedures were effective and provide reasonable assurance that information we are required to disclose in our reports pursuant to Rule 13a-15(e) or 15d-15(e) under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms. Our CEO and CFO also have concluded that as of March 31, 2024, information that we are required to disclose in our reports under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) or 15d-15(f) under the Exchange Act) during the quarterly period ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

Item 1. Legal Proceedings

For a description of any material pending legal proceedings in which we are involved, see “Commitments and Contingencies—Legal and Regulatory Matters” in Note 14 to the Consolidated Financial Statements included elsewhere in this Report, which is hereby incorporated by reference.

Item 1A. Risk Factors

Certain factors may have a material adverse effect on our business, financial condition, results of operations and cash flows, and you should carefully consider them. It is not possible to predict or identify all such factors. For a discussion of potential risks or uncertainties affecting us, please refer to the information under the heading “Item 1A—Risk Factors” in our 2023 Annual Report. Additional risks and uncertainties that are not yet identified or that we currently believe to be immaterial may also materially harm our business, financial condition, results of operations and cash flows.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities:

(In millions, except number of shares and per share amounts)

Period in 2024	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs (1)	Approximate Dollar Value of Shares that May Yet be Purchased Under the Programs (1)
January 1 - January 31	59,572	\$ 167.83	59,572	\$ 664.5
February 1 - February 29	48,033	178.42	48,033	655.9
March 1 - March 31	117,801	180.61	117,801	634.6
Total	225,406	\$ 176.77	225,406	\$ 634.6

(1) Shares repurchased pursuant to the May 2021 publicly announced share repurchase authorization of up to \$900.0 million aggregate cost at purchase of outstanding common stock. In November 2023, the Board authorized an additional share repurchase program for up to \$600.0 million aggregate cost at purchase of outstanding common stock. As of March 31, 2024, \$634.6 million aggregate cost at purchase remained unused under the repurchase authorizations.

Item 5. Other Information

Rule 10b5-1 and non-Rule 10b5-1 Trading Arrangements

None.

Item 6. Exhibits

The following exhibits either (a) are filed with this Report or (b) have previously been filed with the SEC and are incorporated herein by reference to those prior filings.

<u>31.1</u>	<u>Rule 13a-14(a)/15d-14(a) Certification of Principal Executive Officer.</u>
<u>31.2</u>	<u>Rule 13a-14(a)/15d-14(a) Certification of Principal Financial Officer.</u>
<u>32.1</u>	<u>Certification of Chief Executive Officer of Assurant, Inc. pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
<u>32.2</u>	<u>Certification of Chief Financial Officer of Assurant, Inc. pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101	The following materials from the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2024, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Changes in Equity, (v) the Consolidated Statements of Cash Flows and (vi) Notes to the Consolidated Financial Statements.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ASSURANT, INC.

By:	/s/ KEITH W. DEMMINGS
Name:	Keith W. Demmings
Title:	President, Chief Executive Officer and Director (Principal Executive Officer)
By:	/s/ KEITH R. MEIER
Name:	Keith R. Meier
Title:	Executive Vice President and Chief Financial Officer (Principal Financial Officer)

Date: May 9, 2024

CERTIFICATIONS

I, Keith W. Demmings, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Assurant, Inc. for the period ended March 31, 2024;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2024

/s/ Keith W. Demmings

Keith W. Demmings
President, Chief Executive Officer and Director (Principal Executive Officer)

CERTIFICATIONS

I, Keith R. Meier, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Assurant, Inc. for the period ended March 31, 2024;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2024

/s/ Keith R. Meier

Keith R. Meier
Executive Vice President and Chief Financial Officer (Principal
Financial Officer)

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER OF
ASSURANT, INC.
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
§ 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of Assurant, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Keith W. Demmings, President, Chief Executive Officer and Director (Principal Executive Officer) of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 9, 2024

/s/ Keith W. Demmings

Keith W. Demmings
President, Chief Executive Officer and Director (Principal Executive Officer)

**CERTIFICATION OF CHIEF FINANCIAL OFFICER OF
ASSURANT, INC.
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
§ 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of Assurant, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Keith R. Meier, Executive Vice President and Chief Financial Officer (Principal Financial Officer) of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 9, 2024

/s/ Keith R. Meier

Keith R. Meier
Executive Vice President and Chief Financial Officer (Principal
Financial Officer)