American Financial Group, Inc.

Sustainability Accounting Standards Board Report 2025

SASB STANDARDS

Now part of IFRS Foundation

American Financial Group, Inc.
Sustainability Accounting Standards Board Report 2025

SUSTAINABILITY ACCOUNTING STANDARDS BOARD DISCLOSURE

American Financial Group, Inc. (AFG) is an insurance holding company, based in Cincinnati, Ohio. Through the operations of Great American Insurance Group, AFG is engaged primarily in property and casualty insurance, focusing on specialized commercial products for businesses. Great American Insurance Group's roots go back to 1872 with the founding of its flagship company, Great American Insurance Company. The following disclosures are aligned with the Sustainability Accounting Standards Board (SASB) standards for the insurance industry. For more information about SASB, please visit ifrs.org/issued-standards/sasb-standards/.

Our disclosures in this Sustainability Accounting Standards Board Report (Report) and in our Corporate Social Responsibility Report are voluntary and intended to provide additional information to various stakeholders. The standard of materiality required for our disclosures filed with the Securities and Exchange Commission (SEC) is not the same as that used for our voluntary disclosures in this Report. Inclusion of information in this Report or in our Corporate Social Responsibility Report is not an indication that we deem such information to be material or important to an understanding of our business or an investment decision with respect to our securities.

This Report may contain forward-looking statements. Some of the forward-looking statements can be identified by the use of words such as "anticipates," "believes," "expects," "projects," "estimates," "intends," "plans," "seeks," "could," "may," "should," "will" or the negative version of those words or other comparable terminology. All statements in this Report not dealing with historical results are forward-looking and are based on estimates, assumptions, and projections. These forward-looking statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance, or achievements to differ materially from the results, level of activity, performance, or achievements expressed or implied by these forward-looking statements. These factors include, but are not limited to, those discussed in our Annual Report on Form 10-K under Item 1A "Risk Factors," and also discussed from time to time in our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. We are under no duty to update any of these forward-looking statements after the date of this Report to conform our prior statements to actual results or revised expectations, and we do not intend to do so.

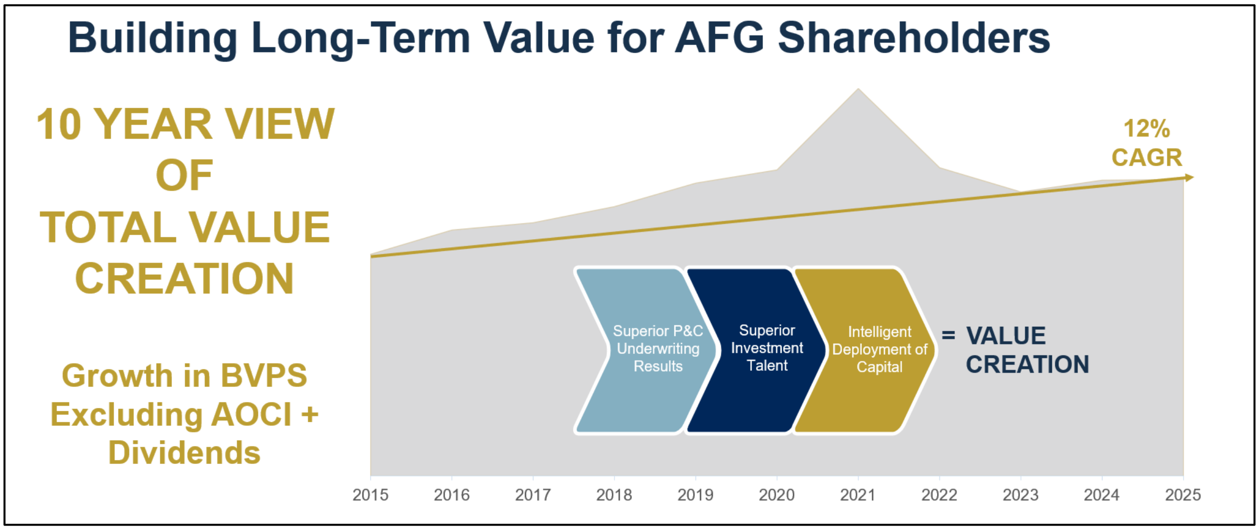
Nothing in this Report or in our Corporate Social Responsibility Report is incorporated by reference or shall be deemed to be incorporated by reference into the documents that we have filed or will file with the Securities and Exchange Commission. All references in this Report to "AFG," "the Company," "we," "us" and "our" refer to American Financial Group, Inc.

Sustainability Disclosure Topics & Accounting Metrics

TOPIC	CODE	ACCOUNTING METRIC	PAGE
Transparent Information & Fair Advice for Customers	FN-IN-270a.1	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	4
	FN-IN-270a.2	Complaints-to-claims ratio	4
	FN-IN-270a.3	Customer retention rate	4
	FN-IN-270a.4	Description of approach to informing customers about products	4
	FN-IN-410a.2	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment management processes and strategies	5
Policies Designed to Incentivize Responsible Behavior	FN-IN-410b.1	Net premiums written related to energy efficiency and low carbon technology	6
	FN-IN-410b.2	Discussion of products or product features that incentivize health, safety or environmentally responsible actions or behaviors	7
Financed Emissions	FN-IN-410c.1	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	12
	FN-IN-410c.2	Gross exposure for each industry by asset class	12
	FN-IN-410c.3	Percentage of gross exposure included in the financed emissions calculation	12
	FN-IN-410c.4	Description of the methodology used to calculate financed emissions	12
Physical Risk Exposure	FN-IN-450a.1	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	13
	FN-IN-450a.2	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	13
	FN-IN-450a.3	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of entity-level risks and capital adequacy	14
Systemic Risk Management	FN-IN-550a.1	Exposure to derivative instruments by category: (1) total exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with a central clearinghouse and (3) total exposure to centrally cleared derivatives	15
	FN-IN-550a.2	Total fair value of securities lending collateral assets	15
	FN-IN-550a.3	Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	15
Activity Metrics	FN-IN-000.A	Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance	17

Through the operations of Great American Insurance Group, its subsidiaries and affiliates, AFG is engaged primarily in property and casualty (P&C) insurance, focusing on specialty commercial products for businesses. Great American Insurance Group provides a wide range of commercial coverages through approximately 36 insurance businesses (as of December 31, 2025).

Each business is managed by experienced professionals in particular insurance lines or customer groups and operates autonomously but with certain central controls and accountability. The decentralized approach allows each business the autonomy necessary to respond to local and specialty market conditions while capitalizing on the efficiencies of centralized investment and administrative support functions.



We believe that superior underwriting results, superior investment talent and intelligent deployment of capital lead to long-term value creation for our shareholders. Our commitment to building long-term shareholder value starts with maintaining strong and consistent operating businesses. Our success depends on disciplined underwriting, which includes appropriate risk selection and prudent pricing, and careful claims and expense management. Through our entrepreneurial business model and effective alignment of incentives with value-creating business objectives, we foster a culture of empowerment and accountability that creates a strong foundation for success.

We view investment management as a core competency and have a highly skilled in-house team of investment professionals. By following a consistent, opportunistic strategy over many years and throughout various economic conditions, we have outperformed market indices over the long term and managed portfolio risk effectively.

We strive to ensure the best use of AFG's capital to maximize long-term value for our shareholders. Our first priority is to grow organically, through bolt-on or start-up businesses, and by making strategic acquisitions. As we regularly evaluate prospects to expand our Specialty P&C insurance portfolio, we consider the potential to produce desired long-term returns, alignment with our existing businesses and cultural fit. In addition to deploying capital for growth, we return excess capital to shareholders through a combination of regular and special cash dividends and through opportunistic share repurchases, which we view as an important and effective component of our capital management strategy.

Management believes that AFG's ability to grow book value per share at a double-digit annual rate over time is evidence that the Company's culture, business model and employee incentive plans create a compelling structure to build long-term sustainable value for AFG's shareholders.

Transparent Information & Fair Advice for Customers

FN-IN-270a.1

Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers

In accordance with SEC requirements, AFG discloses all material legal proceedings, other than ordinary routine litigation incidental to the business, in its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

In 2025, legal proceedings and/or losses, if any, associated with marketing and communication of insurance product-related information to new and returning customers were immaterial.

FN-IN-270a.2

Complaints-to-claims ratio

Experienced leaders within our individual specialty P&C businesses facilitate local decision making for underwriting, claims and policy servicing in each of our niche operations. This model helps ensure that complaints are handled in a timely, complete and equitable manner.

Consistent with our corporate values, customer focus is part of the Company's operating philosophy. We strive to provide quality products and service to our policyholders, agents and business associates.

We do not track a complaints-to-claims ratio because we do not believe it is a meaningful metric for assessing our claims handling processes.

FN-IN-270a.3

Customer retention rate

We routinely monitor our customer retention rates for most of our insurance businesses, excluding products that are by their nature nonrecurring (e.g., surety bonds, mergers & acquisitions liability coverage). We include this measure as part of our internal management reporting and consider any unexpected patterns or trends that might indicate a challenge or opportunity. Due to the wide diversification of business written by our insurance operations, the expected customer retention ratio varies significantly across our insurance businesses.

When calculating policyholder retention, we generally use the following formula: Policies Renewed divided by Policies Eligible for Renewal. Using this approach, approximately 80% of our insurance businesses achieve retention ratios for recurring products in the range of 76% to 98%, which has remained relatively consistent over time. Retentions may be influenced by market conditions and the overall pricing environment.

FN-IN-270a.4

Description of approach to informing customers about products

We communicate with our existing and potential policyholders directly through our employees and indirectly through the agents and brokers who distribute our products. The property and casualty insurance group directs its sales efforts primarily through independent insurance agents and brokers and writes insurance through several thousand of these agents and brokers.

Our independent agents and brokers are instrumental in providing information and advisory assistance to both existing and potential policyholders. We have appointed and developed relationships with independent agents who are demonstrated experts in their fields, and we dedicate resources to familiarize them with our products, the suitability of product coverage, and amounts and types of risks we are willing to write. We regularly provide agents and brokers with information about the cost of our products and their features, terms, limits, deductibles, conditions and exclusions. In addition to these regular communications, there are also other times during the underwriting process when we may communicate directly with agents, brokers, or policyholders to clarify or provide additional information regarding specific products, coverages, limits, or other policy details.

We also provide information to customers and potential customers on the Great American Insurance Group website, www.GAIG.com, agency and insured portals, as well as through advertising and promotional materials. We have a longstanding process to review the information we provide to existing and potential customers, brokers and agents to ensure transparency, accuracy, completeness, comprehension, and regulatory compliance. State insurance departments regulate various operating practices of Great American and other P&C insurers. This includes regulating the premium rates for many of our products, approving policy forms, establishing rules for billing, policy cancellations and policy renewals, and mandating that insurers act in good faith when handling claims, including investigating and processing claims in a timely manner.

The relevant P&C business unit and specialists within our marketing and legal teams are involved in the preparation and review of materials disseminated to customers or prospective customers that describe Great American's product offerings and related services. Our communications vary depending on the specific product type and segment. For example, the information we provide may include: the specific product and policy scope (including limits and deductibles as relevant), underwriting terms and conditions, pricing information, industry and exposure-related materials (including loss control information), risk management support and other general information about the company issuing the underlying policy, our brand and/or our financial strength and information regarding how to make a claim and claims procedures, as applicable.

Incorporation of Environmental, Social & Governance Factors in Investment Management

FN-IN-410a.2

Description of approach to incorporation of environmental, social and governance (ESG) factors in investment management processes and strategies

The investment portfolios of the P&C insurance company subsidiaries of AFG are managed by American Money Management Corporation ("AMMC"), a wholly owned subsidiary of AFG and a registered investment adviser. AMMC's investment philosophy is based on fundamental analysis, which considers all material factors that influence investment return, including environmental, social and governance factors. AMMC has adopted a formal policy outlining its approach to consideration of ESG factors in its investment process.

AMMC recognizes that currently, no standardized approach to ESG factors, analysis or disclosure has been developed. If standardized reporting becomes available, including in connection with the adoption of the proposed SEC climate-related disclosure rules, AMMC will review the applicable information in connection with investment decisions. Consideration of issues relating to any particular issuer or investment opportunity will not be uniform and will depend on available information.

In connection with the management of the investment portfolios of the P&C insurance companies, AMMC contemplates portfolio level considerations prior to evaluating any particular potential investment, including industry and product-type concentrations, yield, duration, ratings, available cash and expected cash needs, the effect on capital and surplus, applicable legal restrictions, reporting considerations, macro-economic factors and other similar factors.

If a potential investment opportunity is appropriate based on portfolio level considerations, AMMC takes a fundamental, issuer-level approach to the purchase or sale of a security, including the risks and opportunities associated with ESG factors. The evaluation of such ESG factors is based on public and private third-party research, including rating agency analyses, information available from the issuer, questionnaires and supplementary information based on direct engagement with the issuer, and other data sources, including governmental, inter-governmental and non-governmental organization reports. If the risks or opportunities associated with ESG factors are significant, AMMC management and analysts may seek additional data. If the applicable ESG factors, either individually or collectively, have a material negative or material positive effect on the performance of the investment, including, if applicable, the likelihood of default or the severity of loss following default, such factors will impact the ultimate investment decision.

AMMC has determined that certain specific industries pose significant risks based on the controversial nature of the industry and/or pervasive negative ESG impact. At present, AMMC does not invest in securities from issuers that derive significant direct revenue (25% or more in the last fiscal year) from the following industries:

- Adult entertainment and/or pornography
- Controversial weapons (including cluster bombs, nuclear weapons and biochemical weapons)
- Tobacco production and/or processing and nicotine delivery alternatives
- Cannabis products

A portion of the P&C insurance portfolios is comprised of collateralized loan obligations, asset-backed securities and other structured securities and investments in private funds or separately managed accounts. In each of these cases, the investment decisions relating to the pool of assets supporting the investment are made by a third-party unaffiliated manager. In these cases, it is not appropriate or practical to specifically consider ESG factors in making an investment decision.

AMMC regularly reviews developing methodologies for evaluating ESG practices and is committed to updating its ESG investment policy on a regular basis.

Policies Designed to Incentivize Responsible Behavior

FN-IN-410b.1
Net premiums written related to energy efficiency and low carbon technology

The Company does not currently track premium data specifically related to energy efficiency and low carbon technology insurance solutions. The Company’s statutory filings include direct and net written premiums by line of business and by state (as applicable), as required by insurance regulators. See response to FN-IN-410b.2 for additional information on products or product features that incentivize health, safety or environmentally responsible actions or behaviors.

FN-IN-410b.2

Discussion of products or product features that incentivize health, safety or environmentally responsible actions or behaviors

AFG's portfolio of specialty commercial insurance businesses is broad and diverse. With 36 specialty P&C businesses, our insurance specialists understand the unique challenges our insureds face in their businesses and offer customized insurance solutions that help them recover from a range of unexpected events. We leverage our specialty industry knowledge and expertise to provide our insureds with insights that help them understand their exposures, prepare for and stay protected from different types of loss.

AFG offers a variety of products and services with features that enable our insureds to implement health, safety and/or environmentally responsible actions or behaviors. The following provides some examples of insurance products and services that address the health, safety and environmental needs of our insureds.

The products and product features discussed below are not available to all customers but are offered to certain insureds depending on the type, scope and amount of coverage.

Loss Control

Maximizing safety is a critical component of many of our product offerings. We provide tools and incentives to enable insureds to operate in a healthier and safer environment. While loss control is the responsibility of our insureds, we provide resources and consulting to assist them in achieving their loss control goals. By tailoring our loss control services to the unique needs of our insureds, we provide high-quality professional services to help reduce loss potential, control loss costs and minimize unsafe activities and conditions.

Insureds have access to an extensive library of technical guidance that covers actual and potential health, safety and environmental hazards specific to different industry segments. We provide a wide range of risk management and loss prevention services and resources to address these hazards, including, but not limited to: loss prevention data guides, playground safety guides, ergonomic practices workbooks, return to work program guides, regulatory guides relating to workplace and business safety, drug-free workplace programs, driver safety materials, child safety resources, senior and disabled adult safety materials, aquatic safety guidance and emergency planning—including addressing weather events, fire prevention and property safety programs.

The average loss control consultant in our P&C operations has more than 20 years of industry experience; more than 90% of these professionals hold advanced degrees and certificates.

Environmental Insurance

We offer a comprehensive portfolio of environmental insurance solutions to a wide variety of commercial customers as an essential component of their overall risk management strategy. Our environmental products and services better position insureds to withstand the financial impact of pollution incidents – which are often excluded from standard general liability and property insurance policies – while protecting the environment. We insure loss and clean-up costs related to premises, contractor activities, indoor air quality and mold issues, and pollution caused by storage tanks, among other environmental risks. We also provide closure and post-closure financial assurance for disposal sites. We understand existing environmental regulations and the risks posed by emerging contaminants and can assess environmental exposures.

We provide risk control services to current and prospective insureds through our in-house risk engineering team alongside a network of specialty vendors, representing diverse capabilities and experience in a variety of environmental areas. As new issues and regulations continue to emerge, we offer educational tools and training on industry-focused topics to help our insureds understand and evaluate environmental risk. Overall services may include customized training on certain pollutants, remediation cost and strategy reviews, and environmental reserve evaluations. We also offer comprehensive environmental risk control plans for targeted pollutants and spill incidents. A response and react program offers spill response management in all 50 states and Canada, 24 hours a day, 365 days a year.

Commercial Auto Insurance

We offer diverse safety and compliance resources to assist our commercial auto insurance customers with loss prevention and cost containment measures. Our goal from a loss control perspective is to provide tools to our insureds to implement appropriate safety management controls that reduce the likelihood of accidents, protect their employees and enhance the safety of the motoring public.

- **Defensive Driving Program –** A leading cause of occupational fatalities and injuries each year is motor vehicle accidents. We offer customers a variety of resources to assist them with training their employees on key defensive driving skills, which can reduce the likelihood of motor vehicle accidents. Resource offerings are diversified and consist of defensive driving programs, online videos, training modules, safety handouts and additional materials created by our loss control team.
- **Loss Control Consultations –** Loss control representatives offer a thorough review of an insured's safety management controls, historical losses and compliance programs with a goal of identifying opportunities for improvement to minimize the likelihood of accidents and injuries.
- **Online Training Resources –** Training resources, which include a learning management system, streaming videos, safety guides and handouts, as well as safety campaigns, are available to assist operators in making safe decisions. Training topics are diverse but specific to customer needs, and subjects cover safe driving techniques, compliance, occupational safety, health and wellness, and behavior-based safety.
- **Discounted Offerings –** Insureds have access to industry safety and compliance resources at a discounted price point, which we believe increases adoption rates. Negotiated discounted offerings address safety, hiring practices, compliance, employee monitoring and technology.
- **Technology –** To minimize unsafe behaviors and improve the safety of insureds and the motoring public, our insureds are eligible to participate in our telematics and video-based telematics subsidization program. The programs are designed to assist clients with managing technology proactively to improve behavior within their fleet, which ultimately can reduce accidents, injuries and contain costs.
- **Telematics Initiative –** Throughout the past several years, we have grown our telematics team, which is now comprised of 12 dedicated members. The team is focused on creating and delivering solutions that will assist insureds with operating a safer and more efficient business and assisting AFG with enhancing underwriting, claims and loss control efforts to better service our insureds.
- **Safety Summits –** Continuing education and networking to stay apprised of industry trends and effective safety management controls are vital to our insureds' success. AFG provides a variety of outlets, whether virtual or in person, for our insureds to collaborate with their peers, hear from industry experts and have contact with insurance representatives.

Workers' Compensation Insurance

We offer numerous workers' compensation products, product features and solutions that incentivize health and safety in the workplace. We work closely with insureds to develop practical strategies to enable them to prevent accidents and provide service to injured workers to ensure that they receive the appropriate care and attention.

AFG works with insureds to develop financial incentives to maximize workplace safety. A large portion of our workers' compensation premium is generated from "loss sensitive" policies, which are policies that tie the cost of our policy to the insured's losses under our program. These policies range in format and may include large deductibles, retrospectively rated programs or captive insurance products. These programs incentivize insureds to implement practical solutions that help to prevent losses. As a result of these programs, AFG’s workers’ compensation businesses have historically experienced a lower frequency of losses greater than $500,000 when compared to what would be predicted by various state rating bureaus.

We routinely evaluate emerging safety-related technology and collaborate with vendors to provide their products and services to our insureds at discounted costs. For example, we have partnered with vendors that provide telematics and in-vehicle cameras to increase accountability for safe driving. We have also collaborated with vendors that use artificial intelligence (AI) software attached to cameras designed to identify and alert management to employees’ unsafe behaviors in an insured’s workplace (alerts such as unsafe lifting, loading and unloading; failure to use personal protective equipment such as harnesses and hard hats; unsafe forklift driving, spills and other environmental hazards).

To assist with preventing employee injuries, a variety of programs are available in addition to the items outlined above under Commercial Auto Insurance. Programs include, but are not limited to:

- **Functional Capacity Testing –** We believe that promoting a safe work environment and ensuring employment candidates and employees are physically capable of performing job functions are important to our insureds. Subsidized program offerings are available to assist insureds with implementing cost-effective functional capacity testing programs.

- **Occupational Accident Services –** When an injury occurs, we focus on helping injured workers recover and return to work as quickly as possible. Injured workers can receive additional support for work-related injuries with nurse case manager support, physician referral services and pharmacy benefits.

After a loss occurs, our focus turns to assuring that the insured worker receives the appropriate care and, if appropriate, a plan to return to work. Some examples include:

- **Care For Injured Workers –** We utilize licensed psychologists and several specialty vendors to address the impact of life events on injured workers’ ability to fully recover. We perceive the following categories to be impactful to one’s ability to heal: biology, psychology, sociology and economics. Resources are provided to help the injured worker address these dimensions of injury. In addition, a proprietary empathy program helps to ensure our customer-facing interactions contemplate the above-mentioned considerations.

- **Telemedicine and Nurse Intervention –** Some healthcare providers in our network offer telemedicine—medical care provided remotely by secure video conference—making appropriate medical resources more easily accessible and readily available to our insured’s injured workers.

- **Return-to-Work Programs –** We offer return-to-work programs that provide coordinators who assist with the creation of transitional duty strategies tailored to specific industries. For instance, a “Light Duty Work Program” can be developed to facilitate the early return to work of injured employees who have recovered to the point that they can perform some useful functions, but who are unable to meet the full requirements of their regular job. Additionally, we work with vendors to identify transitional duty jobs in non-profit organizations when insureds do not have a light duty job available for the injured worker.

- **Predictive Models –** We use predictive models so that adjusters, nurses and in-house medical directors can intervene to enable quick and appropriate care for injured workers.

Nonprofit, Social Services and Public Entities Insurance

AFG is a leading provider of insurance solutions to the human and social service marketplace. We offer coverage to social service agencies and nonprofit organizations to help protect those who contribute to and improve our community. We also provide customized insurance programs that meet the unique risk management needs of municipalities (local, county and state), education organizations, special service districts, housing authorities and other entities designed to serve the general public.

- **Nonprofit Risk Management and Online Learning Tools –** We collaborate with a third-party nonprofit risk management center that creates a risk management capability tailored to nonprofit organizations. The center provides counsel and resources on issues such as employment practices, governance, fraud prevention, customer safety and legal risk. In addition, we have curated a collection of online courses specifically for nonprofit and social service organizations to help improve safety, reduce losses and meet organizational requirements. Course topics include premises safety, abuse prevention, driver training, aquatics training, organization specific training, supervisor training and general safety, among others.

- **Abuse Prevention and Anti-Bullying –** AFG provides resources to our insureds to assist in abuse prevention by offering accreditation of policyholder abuse prevention programs. Working with a respected sexual abuse prevention and risk management resource partner, the accreditation process is a series of steps beginning with an assessment of existing programs, consultative assistance with improvements, followed by a rigorous onsite accreditation assessment. Additionally, we facilitate use of a mobile platform that empowers students to anonymously report, prevent and provide follow-up information about bullying and other inappropriate conduct. This platform also offers deterrence, reporting and mitigation solutions to these insureds as well as 24/7 suicide prevention and mental health services.

- **Driver Monitoring –** Collaborations with third-party driver safety programs help our insureds identify employees who are taking risks while driving and focus management attention on those drivers who require additional training. This program can help customers better manage their fleet, reduce the frequency and total cost of accidents and help them maintain affordable insurance costs with practical, easy tools to monitor compliance with driver safety policies - whether enforcing distracted driving prevention or simply spotting behaviors that place drivers "at-risk" of becoming involved in a collision.

- **De-escalation and Use of Force Training for Law Enforcement –** We offer our insureds training with a third-party leader in developing innovative training and simulation solutions using 3D technology. This provides a training platform for law enforcement that allows officers to effectively practice firearm precision and combat skills without the risk, expense, or logistical problems of a live-fire range.

- **Additional Benefits for Nonprofit and Social Service Organizations –** We strive to work with our customers to help them prevent a loss before it happens. Our offerings include the capability to assist with employee background checks, visitor management solutions, glass safety technology and aquatic safety consulting.

Property & Inland Marine Insurance

We offer commercial property and inland marine coverages, including builder's risk, contractor's equipment and motor truck cargo. Examples of related health, safety and environmental offerings include:

- **Clean & Green Solar Energy Coverage –** In order to support deployment of clean energy technology, we offer coverages for alternative energy with our clean & green solar energy coverage to hotels, apartments, leasing entities, installation projects, permanent arrays for solar fixed panels, building integrated photovoltaic and moving panels.
- **Water Sensor Technology –** Every year, the insurance industry pays out billions of dollars in water damage claims. While natural disasters are most prominent, water leaks and frozen pipes often cause large losses. With advancements in sensor technology, we offer monitoring technology that can alert the policyholder of a water leak or dangerously low room temperatures that may cause a pipe break before it can cause substantial property damage. Early warning can translate into avoided losses and substantive savings.
- **Restoring and Revitalizing Communities –** We regularly insure property development and commercial construction companies and work to revitalize vacant and urban blocks into high quality mixed-use communities.

Ocean Marine Insurance

Our ocean marine insurance products respond to the special needs of a full range of marine-based businesses, including coverage for small resort marinas, ocean-going cargo and all types of commercial vessels. We provide a comprehensive suite of cleanup and containment services and coverages for marina operators and vessel owners including offerings like vessel pollution liability coverage and a spill responder program. We offer a 24/7 spill response hotline and a 24-hour pollution response team to reduce the potential for environmental impact.

The U.S. Coast Guard's National Pollution Funds Center administers the Certificate of Financial Responsibility (COFR) program under which certain vessels transporting oil and chemical-based products in U.S. waterways are required to demonstrate their ability to pay cleanup and damage costs up to required liability limits. We provide COFR coverage through a performance bond posted with the government that guarantees cleanup obligations are met.

Ecological Restoration & Conservation

We develop financial assurance and insurance solutions tailored for complex and emerging ecological restoration and conservation risks and programs. Compensatory mitigation is a requirement under the Clean Water Act, stipulating that unavoidable adverse impact to wetlands resulting from development must be offset by an equal positive impact. The offsetting positive impact is derived from mitigation bank projects that restore, establish, enhance and preserve wetlands, streams and other aquatic resources. We underwrite specialized, multi-year performance bonds that meet the project-specific financial assurance requirements of federal and state regulators for wetland, stream and conservation mitigation bank projects. We also underwrite performance bonds required by public entities, grantors and other stakeholders on non-mitigation bank conservation and ecological restoration projects.

Cyber Risk Insurance

We offer numerous cyber risk insurance products tailored to meet the needs of many different small and medium-sized enterprises including professional service firms, healthcare organizations, manufacturers, retail trade, financial institutions, community banks, non-profit organizations, technology companies, schools and public entities. Our cyber risk management services are designed to help businesses prepare for and mitigate the risk of a cyber incident. This is achieved through various methods including loss prevention tools, security assessments and online content. EagleEye℠ by Great American is a powerful cyber risk management platform that combines the National Institute of Standards and Technology (NIST) driven, inside-out review of an organization's cyber security posture with insights from continuous, external vulnerability scans and best-in-class cyber security ratings from SecurityScorecard. Proactive risk monitoring from our Cyber Loss Control department can alert policyholders to security concerns that might otherwise be overlooked. Additionally, insureds have access to the eRiskHub® portal for the duration of their policy period. The eRiskHub provides tools and resources to help our insureds understand their exposures, establish a response plan and minimize the effects of a breach on their organization.

Financed Emissions

FN-IN-410c.1
Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3

Not disclosed at this time.

FN-IN-410c.2
Gross exposure for each industry by asset class

Not disclosed at this time.

FN-IN-410c.3
Percentage of gross exposure included in the financed emissions calculation

Not disclosed at this time.

FN-IN-410c.4
Description of the methodology used to calculate financed emissions

Not disclosed at this time.

Physical Risk Exposure

FN-IN-450a.1

Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes

AFG generally seeks to reduce its exposure to catastrophes (whether resulting from climate change or otherwise) through individual risk selection, including minimizing coastal and known fault-line exposures, and the purchase of reinsurance. In January 2026, AFG's property and casualty insurance subsidiaries renewed their catastrophe reinsurance coverages. For AFG's U.S.-based operations, the Company placed $205 million of coverage in excess of a $70 million per event primary retention in the traditional reinsurance markets.

AFG currently has comprehensive property catastrophe reinsurance coverage in place (including the $70 million per occurrence net retention) for losses up to $625 million in the vast majority of circumstances. This coverage consists of a combination of $205 million from traditional reinsurance and $350 million of coverage through a fully collateralized catastrophe bond.

Based on data available at December 31, 2025, management estimates that AFG's exposure to a catastrophic earthquake or windstorm that industry models indicate should statistically occur once in every 500 years is less than 3% of AFG's Shareholders' Equity.

AFG's calculation is based on net losses, which are net of reinsurance, estimated reinstatement premiums and income taxes, assuming a 21% federal tax rate. While reporting across our peer group for the impact of modeled loss varies, this estimate compares very favorably with selected peers, based on peers' Form 10-K disclosures.

For further information regarding the Company's reinsurance, see "Item 1 – Business – Reinsurance" in our 2025 Annual Report on Form 10-K.

FN-IN-450a.2

Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)

As with other property and casualty insurers, AFG's operating results can be adversely affected by unpredictable catastrophe losses. Certain natural disasters (hurricanes, severe storms, earthquakes, tornadoes, floods, etc.) and other incidents of major loss (explosions, civil disorder, terrorist events, fires, etc.) are classified as catastrophes by industry associations. Losses from these incidents are usually tracked separately from other business of insurers because of their sizable effects on overall operations.

AFG recorded net catastrophe losses of $137 million in 2025 primarily from California wildfires and storms in multiple regions of the United States.

Net catastrophe losses of $180 million in 2024 (before $2 million in net reinstatement premiums) resulted primarily from winter and convective storms in multiple regions of the United States in the first and second quarters, Hurricane Helene in the third quarter and Hurricane Milton in the fourth quarter.

Net catastrophe losses of $162 million in 2023 (before $3 million in net reinstatement premiums) resulted primarily from February and March storms across much of the United States in the first quarter and storms in multiple regions of the United States in the second, third and fourth quarters.

AFG does not separately identify its losses based on modeled or non-modeled catastrophes, as we do not believe this categorization is meaningful to our business.

AFG uses various modeling techniques and data analytics to analyze and estimate exposures, loss trends and other risks associated with its assets and liabilities. AFG uses the modeled outputs and related analyses to assist in decision-making in areas such as underwriting, claims, reserving, reinsurance and catastrophe risk. The modeled outputs and related analyses are subject to various assumptions, uncertainties, model errors and the inherent limitations of any statistical analysis, including the use of historical internal and industry data. In addition, the modeled outputs and related analyses may from time to time contain inaccuracies, perhaps in material respects, including as a result of inaccurate inputs or applications thereof. Consequently, actual results may differ materially from AFG's modeled results. AFG may also utilize artificial intelligence or machine learning technologies to assist with modeled outputs and related analyses, the results of which may be unintentionally deficient, arbitrary, inaccurate or misleading.

For additional information on AFG's consolidated results, including catastrophe losses, see our 2025 Annual Report on Form 10-K.

FN-IN-450a.3

Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of entity-level risks and capital adequacy

As noted above, the Company utilizes a wide variety of programs and strategies to enable our insureds to avoid or mitigate loss. We also seek to reduce our exposure to catastrophes through individual risk selection, including minimizing coastal exposures that could be more directly affected by climate change. The Company provides services, training and educational information designed to help customers improve safety, remediate environmentally adverse events, reduce losses and operate more sustainably. Whether it is limiting exposure to catastrophic risk, helping its insureds manage the risk of weather uncertainty for their crops, or providing insureds coverage for cleaning up environmental contamination, the Company places management of environmental risk as an important component of risk management in several of its operations.

Weather-related risk, including risk that may be associated with climate change, is an element of the Company's Enterprise Risk Management (ERM) program, which is designed to reinforce the way the Company operates its business and reflects its culture, organizational structure and risks. AFG's Co-CEOs have delegated oversight of the ERM process, including risk identification, risk impact, risk limits and mitigation strategies, to an AFG Enterprise Risk Committee (ERC). The ERC has designated an AFG Assistant Vice President as risk officer to oversee the day-to-day operations of the ERM program. The risk officer regularly meets with senior leaders representing significant areas from throughout the organization, including administration, operations, finance, accounting, legal, human resources, investments, information technology and information security, to assess significant risks. Through the ERM process, risks are identified, assessed, and where appropriate, mitigated.

In addition, AFG maintains ratings from three major credit rating agencies. This provides an external view of AFG's own assessment of capital adequacy. Environmental risks are incorporated into each of the rating agencies' evaluations of our capital adequacy. Great American Insurance Company has received an "A" (Excellent) or higher rating from the AM Best Company for over 115 years (one of only four companies to achieve this result) and is currently rated "A+" (Superior). View financial strength ratings for the P&C insurance operations on the Great American Insurance Group website.

Systemic Risk Management

FN-IN-550a.1

Exposure to derivative instruments by category: (1) total exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with a central clearinghouse and (3) total exposure to centrally cleared derivatives

The Company utilizes various over-the-counter and cleared derivatives as part of its overall risk management strategy, including managing interest rate risk relating to its investment portfolio. Cleared derivatives are valued on a mark-to-market basis by the clearinghouse and over-the-counter derivatives are valued on a mark-to-market basis by the counterparty or using market transactions, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. All derivatives are recognized on the Balance Sheet at fair value and reported as other assets or other liabilities. The outstanding notional amount of the Company's centrally cleared derivatives (interest rate swaps) was $464 million at December 31, 2025 with a fair value liability of $3 million and a fair value asset of $1 million. At December 31, 2025, a collateral receivable of $10 million supporting these swaps was on the Company's Balance Sheet. The Company's non-centrally cleared derivative (a total return swap) was an asset with a fair value of less than $1 million at December 31, 2025 and there was a payable of less than $1 million for collateral posted to the swap, both of which are included on the Company's Balance Sheet.

FN-IN-550a.2

Total fair value of securities lending collateral assets

The Company did not engage in securities lending transactions in 2025.

FN-IN-550a.3

Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities

AFG's non-insurance activities generally consist of real estate investments and are considered within the investment guidelines of our in-house investment management operation.

For all of its operations, the Company believes a role of senior management is to identify and manage risks confronting the Company. The Board of Directors and its committees play an integral role in the Company's risk oversight, primarily by reviewing the processes used by management to identify and report risk and by monitoring corporate actions to avoid inappropriate levels of risk.

The Company's Enterprise Risk Management (ERM) program is designed to reinforce the way the Company operates its business and reflects its culture, organizational structure and risks. AFG's Co-Chief Executive Officers have delegated oversight of the ERM process, including risk identification, risk impact, risk limits and mitigation strategies, to an AFG Enterprise Risk Committee (ERC) chaired by AFG's General Counsel and also consisting of AFG's Chief Administrative and Chief Human Resources Officer, AFG's Chief Financial Officer, and Great American Insurance Group's President and Chief Operating Officer, each of whom directly reports to the Co-Chief Executive Officers.

The ERC has designated an AFG Assistant Vice President as risk officer to oversee the day-to-day operations of the ERM program. The risk officer regularly meets with senior leaders representing significant areas from throughout the organization, including administration, operations, finance, accounting, legal, human resources, investments, information technology and information security, to assess significant risks. The risk officer works with management to identify potential events and trends that may adversely or favorably impact the Company and to manage risks to be within the Company's risk appetite.

The ERC, the risk officer and individual senior leader risk owners regularly monitor the top organizational risks, as well as any other significant or emerging risks that may arise during the year and consider whether to modify existing risks or elevate emerging risks. Assessments of AFG's significant risks are completed on either a quarterly, semiannual, or annual basis. Any actual or foreseeable potential variances outside of AFG risk targets, even for reasons that are expected or accepted, are discussed with risk owners, risk monitors and management. Significant changes in our risk profile are reviewed with the ERC and the AFG Audit Committee on a quarterly basis and with the AFG Board of Directors at least annually.

Also, due to evolving threats to corporate cybersecurity, the Board and Audit Committee receive reports from the Company's Chief Information Security Officer (CISO) regarding cybersecurity risks and the steps management has taken to monitor and control such risks. Among the many issues discussed with the CISO in 2025 were AI-related matters, including the Company's AI Governance Program to manage risks and promote the ethical use of AI tools and technology and AFG's adoption of the National Institute of Standards and Technology (NIST) AI Risk Management Framework to assess and benchmark the Company's risks. The CISO presents to the Audit Committee at least quarterly and to the Board at least annually to review and discuss the Company's cybersecurity program. For further information regarding the Company's cybersecurity program, see "Item 1C – Cybersecurity" in our 2025 Annual Report on Form 10-K.

The Company's leadership structure and overall corporate governance framework are designed to aid the Board in its oversight of management responsibility for risk. The Audit Committee serves a key risk oversight function in carrying out its review of the Company's financial reporting and internal reporting processes, as required by the Sarbanes-Oxley Act of 2002. Inherently, part of this review involves an evaluation of whether our financial reporting and internal reporting systems are adequately reporting the Company's exposure to certain risks. In connection with this evaluation, the Audit Committee has, from time to time, considered whether any changes to these processes are necessary or desirable. While it has concluded that no such changes are warranted at this time, the Audit Committee will continue to monitor the Company's financial reporting and internal reporting processes. In addition, pursuant to its charter, the Audit Committee is responsible for discussing with management the guidelines and policies related to enterprise risk assessment and risk management and assisting the Board of Directors in its oversight of the Company's enterprise risk management process.

The goals of AFG's ERM framework that drive our corporate strategy are as follows:

- Identify and manage the actual and perceived risks that threaten the Company and its solvency;
- Optimize the Company's risk-based capital position;
- Optimize actual returns relative to targeted, risk-adjusted returns on capital;
- Manage underwriting, investment and operational volatility;
- Engage the Board of Directors, senior management and other employees in the ERM process to ensure business decisions are aligned with our framework; and
- Embed risk management principles in all key business decisions and transactions.

On an annual basis, AFG measures the impact of multiple stress scenarios on AFG's capital over a three-year projection period and has not discovered any material challenges to the execution of our business plans or threats to the Company's solvency, even under the most severely adverse scenario.

Activity Metrics

FN-IN-000.A
Number of policies in force, by segment

AFG does not disclose the number of policies in force, as it is not a metric that is meaningful for the types of coverages we sell in the specialty markets in which we operate. Many of our insureds operate through multiple locations or divisions, which may decrease the value of this type of measure. Additionally, many of our policies may be sold on a non-recurring or project-specific basis for risks such as mergers & acquisitions liability or surety.

AFG reports the underwriting performance of its P&C insurance business in three sub-segments: Property and Transportation, Specialty Casualty and Specialty Financial. A summary of our gross written premium and net written premium by sub-segment follows: