The Hartford

# Sustainability Accounting Standards Board

## 2025 Report

This report, published in accordance with Sustainability Accounting Standards, is for The Hartford Insurance Group, Inc. (together with its subsidiaries, "The Hartford", the "Company", "we" or "our"). The Hartford provides property and casualty ("P&C") insurance and employee benefits insurance to individuals and business customers in the United States, as well as in the United Kingdom and other international locations.

**This report covers the fiscal year ended December 31, 2025.**

# Transparent Information and 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.

Discussion of material legal contingencies and legal proceedings are disclosed in The Hartford's Form 10-K and in Quarterly Reports on Form 10-Q.

## FN-IN-270a.2

### Complaints-to-claims ratio

Responding to customers' claims and doing it well is at the heart of who we are. While The Hartford does not track a complaints-to-claims ratio, we do monitor our customers' experiences via metrics such as the Net Promoter Score, satisfaction ratings, and open-end comments received through voice-of-the customer surveys. Our customer feedback process enables us to continuously measure, monitor and act on customer sentiment in real time to improve the customer experience and make it easier for them to do business with us.

We capture and measure policyholder satisfaction at key points in the customer experience, from consideration and purchase of the product through onboarding, account service and premium audit. We are committed to tracking and, when the situation arises, following up with our customers to resolve their concerns in a timely fashion. When a complaint is received, our Consumer Affairs department utilizes a tracking and monitoring system to review the complaint to determine the cause and identify potential process improvement opportunities. The team is committed to the timely resolution of complaints and handles them with a focus on customer retention.

As a multi-line insurance carrier, The Hartford is subject to insurance regulation in all 50 states and other jurisdictions. State insurance departments voluntarily provide consumer complaint data to the National Association of Insurance Commissioners ("NAIC"). The NAIC does not calculate or report out on a complaints-to-claims ratio but instead provides a summary listing of all closed complaints by business line for each underwriting company in the U.S. Closed complaints as defined by the NAIC are complaints that have been investigated by the state insurance department and given a resolution code. The NAIC "closed complaint ratio" is calculated by dividing each underwriting company's share of closed complaints in the U.S. market by the underwriting company's market share of premiums in the U.S. The NAIC does not provide one ratio for all of The Hartford's underwriting companies combined. Closed complaint ratio data as calculated by the NAIC is available on their consumer site.

## FN-IN-270a.3

### Customer retention rate

We believe policy retention in P&C businesses and premium persistency rate in Employee Benefits provide the most meaningful measures of renewed business for our customers and investors.

See Management's Discussion & Analysis of Financial Condition and Results of Operations – Reportable Segment and Corporate Operating Summaries, included in the 2025 Form 10-K Report, as well as the Supplemental Data pages in our quarterly Investor Financial Supplement, for policy count retention metrics for small business and Personal Insurance automobile and homeowners, and premium retention for middle & large business for each of the last three fiscal years. Retention rate calculations are not adjusted for involuntarily terminated customers. As a result, the retention rates would be higher if adjusted in accordance with SASB guidance. The Company does not track policy retention for its Global Specialty business as it is less meaningful given there is a significant number of insured projects that are not available for renewal and because there is a lack of sufficient underlying policy data on business written by coverholders and other third parties that are delegated underwriting authority by the managing agent of our Lloyd's syndicate.

In the table, we provide annual persistency rate for Employee Benefits life and disability business. Persistency rate in Employee Benefits represents the percentage of premium remaining in-force from year to year.

**Premium Persistency Rates**[1]

| | Year Ending | |
|---|---|---|
| Product Line | December 31, 2025 | December 31, 2024 |
| Group Life | 91.7% | 92.3% |
| Group Disability | 91.4% | 92.1% |

1 Excludes mostly non-recurring Specialty Markets premium which represents about 5% of total Employee Benefits premium.

## FN-IN-270a.4

### Description of approach to informing customers about products

The Hartford is committed to delivering a high-quality customer experience. We believe that clear and comprehensive information is fundamental to a positive experience and to building and retaining customer trust. That's why we communicate in a variety of ways and through multiple channels to meet our customers' needs.

We offer a wide range of products that require communications tailored to reach specific audiences, including brokers, business owners, decision-makers in risk management and human resources departments, employees purchasing our products through their employer, and individuals purchasing a home or auto policy. We develop our materials using feedback from our underwriting and sales organizations as well as directly from our customers, claimants and distribution partners. Our research operations team ensures that marketplace perspective and preference are understood and considered when making product-related decisions including how we communicate product features to our customers. Dedicated writers and designers work together to make the information easy to understand and accessible for all our stakeholders and a thorough compliance and legal review process is in place to ensure we meet all regulatory standards.

Our communications are designed to attract and engage existing and prospective customers by providing:

- product details, including pricing, coverage options, policy limits, deductibles, and the suitability of the product to meet customer needs;
- policy documents, including covered perils as well as related terms and conditions;
- information on premium payment options, how to request mid-term changes to the policy and information about renewal of the policy before the current policy term expires;

- industry expertise and answers to insurance-related questions frequently asked before purchasing insurance products or services;
- insurance product specific content designed to help business owners be successful;
- educational resources about risks we insure (e.g., accident/injury, extreme weather associated with climate change, etc.); and
- information on The Hartford's brand, our financial strength and our proud history as a trusted industry leader.

State insurance departments regulate many operating practices of both P&C and life insurers, including, among other things, regulating the premium rates we charge for many of our products, requiring approval of policy forms, establishing rules regarding billing, policy cancellation and policy renewal, and requiring insurers to act in good faith when handling claims, including investigating and handling claims promptly.

## TheHartford.com Digital Platform

The Hartford offers 24x7, secure, ADA compliant, digital access to policyholder information and capabilities designed and optimized to meet the specific needs of our customers. Acting as The Hartford's digital "front-door," our corporate website, TheHartford.com provides easy access to information about our products and services by line of business and password protected access to our customer and agent client portals, as well as educational tools and resources.

Our digital tools are recognized in the industry for features that are comprehensive and easy to use. Customers and agents can access policy documents, make a payment, file a claim, access risk mitigation content, and manage a policy through these online capabilities. Customers also have the option to enroll in email or text messaging related to billing and claim status as appropriate to ensure they receive the most current, timely information available.

## Social Media

The Hartford also regularly communicates with customers using various social media platforms. We leverage the latest capabilities and features of each platform to create text, image and video communications that highlight our products and services, promote our human achievement programs and help our small business customers succeed.

## Claims

The Hartford's highly experienced claim intake team and claim analysts ensure our customers receive personalized, compassionate care throughout the claim process. We make it quick and easy to report claims by phone or online, and customers can check a claim status online anytime.

We also offer specialized expertise for extreme situations. From property damage to business closures, severe weather, a wildfire, or some other disaster, The Hartford's dedicated catastrophe claims operation team is available to help our customers prevail through the unexpected.

## Additional Educational Tools and Resources

**Business Insurance:**

***Electronic Business Center (EBC) Agent Portal***

We have created an online portal for agents to use when doing business with The Hartford. Our current EBC agent portal earned top marks in a recent study[1] for speed and ease of use. We continue to expand capabilities available in the EBC for all of our P&C agents.

***Risk Engineering Customer Portal***

The Hartford's Risk Engineering team is an integral part of our value proposition to both new and renewal business customers. The team provides safety assessments and recommendations to help make businesses safer and mitigate the risk of costly future losses. In addition to the educational content available on TheHartford.com, our dedicated Risk Engineering Customer Portal for existing customers provides helpful safety information and Technical Information Papers (TIPs) as well as employee training modules that can be sorted by industry to ensure each customer can access the information most relevant to their business. We also send targeted newsletters via email, sharing construction safety topics that help our customers meet OSHA requirements or reduce risk with their commercial auto fleets.

***The Hartford's Cyber Center***

Business customers who have cyber coverage with The Hartford get access to The Hartford Cyber Center, an online portal offering valuable resources such as risk management tools, training and cyber best practices.

[1] Annual Agent NPS Study, 2023.

**Personal Insurance:**

***Partnership with AARP***

Through a more than 35-year partnership with AARP, we reach AARP members through co-branded marketing materials using a variety of media sources including television, direct mail campaigns, AARP publications, and through digital and social media platforms.

***The Hartford Center for Mature Market Excellence***

To better serve the mature market, we have an in-house gerontologist at The Hartford Center for Mature Market Excellence who applies knowledge on aging to create innovative business solutions for our customers. They give our sales, service and claims staff the knowledge and skills to more effectively sell to and serve mature customers. We have developed one-of-a-kind product features aimed at supporting our mature customers such as RecoverCare which provides reimbursement on home services, like house cleaning, which may be difficult for customers following an accident. In addition, our deep insights into this customer segment helps us tailor specialized services to our customers as they experience significant life events such as the loss of a spouse.

**Employee Benefits:**

***MyTomorrow Online Decision Support Tool***

The Hartford's Employee Benefits team explains voluntary benefits and coverage options available to customers' employees, helping them make informed benefits decisions. Our proprietary MyTomorrow online decision support tool is a one-stop digital benefits platform that includes educational videos and real-time overviews of available products, including benefits and costs, tailored to individual customer needs, life stages, buying habits and mindset.

The Hartford is committed to maintaining the confidentiality, integrity and security of our customer information in compliance with all privacy policies. We work to adopt reasonable physical, administrative and technical safeguards to protect this information as outlined in our published customer privacy policies.

# Incorporation of Environmental, Social and 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 Hartford believes that incorporating sustainability factors into the investment analysis and decision-making process is an important element of completing a robust assessment of the risks and opportunities associated with investment decisions. Hartford Investment Management Company ("HIMCO") is a SEC-registered investment adviser and manages the Company's investment portfolio. HIMCO has a framework in place to evaluate sustainability considerations for The Hartford's investment portfolio. This framework aligns with The Hartford's Sustainable Investing Statement, approved by the Board of Directors in 2018, which documents the Company's approach to incorporating sustainability factors into investment management processes. In 2019, The Hartford adopted its Coal and Tar Sands Policy, which provides specific guidance and thresholds with respect to investments involving coal or tar sands. HIMCO ensures that The Hartford's investment holdings align with this policy. The Company regularly reviews sustainability factors related to the portfolio holdings with HIMCO.

## Governance

Our Board's Nominating and Corporate Governance Committee (NCG) has responsibility for overseeing sustainability-related strategic and operational matters and the company's journey to embedding sustainability into the broader enterprise strategy, including how the business lines and functions are managing sustainability risks and seizing opportunities. NCG also oversees the establishment of sustainability governance frameworks and processes, while the Finance, Investment and Risk Management Committee provides oversight of issues related to climate risk. In addition, the Compensation and Management Development Committee oversees the company's talent and human capital management issues. For a full overview of oversight responsibility, refer to The Hartford's Sustainability Report (p. 67).

HIMCO's sustainability governance framework includes a Sustainability Steering Committee, which is chaired by The Hartford's Chief Investment Officer and includes HIMCO's Sustainability Lead, the HIMCO executive leadership team, and HIMCO's Chief Risk Officer. The HIMCO Sustainability Steering Committee works in conjunction with The Hartford's Sustainability Governance Committee and has oversight of a HIMCO Sustainability Working Group, which is chaired by HIMCO's Sustainability Lead and includes representatives in investment management and other core functions responsible for key sustainability activities.

Additional oversight over sustainability matters is provided by The Hartford's Asset Liability Committee ("HIG ALCO"), which is chaired by The Hartford's Chief Financial Officer and includes The Hartford's Chief Investment Officer and Chief Risk Officer. HIG ALCO meets regularly to provide oversight of firm-wide capital market and investment risks, which includes a review of sustainability-related considerations and reporting.

## Sustainability-related Policies and Investment Activity

The Hartford's Coal and Tar Sands Policy provides specific guidance and thresholds with respect to investments involving coal or tar sands. HIMCO's Compliance Group monitors adherence to this policy and HIG ALCO also regularly reviews exposures subject to the policy as well as divestment activity.

The Hartford's investment portfolio includes investments that advance the energy transition and support community resilience, while simultaneously supporting the Company's overall financial and strategic goals and building long-term value for the Company and its stakeholders. Over the past three years, approximately $1.6 billion has been invested in technologies, companies and funds that are advancing the energy transition and addressing climate change, and approximately $800 million has been invested in support of community resilience. HIMCO is responsible for identifying, evaluating and tracking these investments. For more information on The Hartford's sustainable investments, including current portfolio holdings and cumulative investment activity, refer to The Hartford's Sustainability Report, (p. 15-17).

## Integration of Sustainability Factors into Investment Processes

As part of the investment analysis and decision-making process for The Hartford's investment portfolio, sustainability considerations are evaluated across asset classes for actively managed portfolio holdings. Covered asset classes include fixed income securities (public corporate credit, municipal securities, securitized assets, private placements) as well as private credit (direct lending and asset-backed lending), private equity and commercial real estate debt and equity. The Hartford's investment portfolio has limited exposure to actively managed public equity securities.

Subject to certain exceptions, analysts conduct sustainability assessments that assign internal sustainability risk classifications and document the direction and relative intensity of sustainability-related risks and opportunities for investments in the Company's portfolio. Sustainability assessments reflect an evaluation of factors that may affect an issuer's financial performance, informed by consideration of an issuer's sustainability-related dependencies and impacts. While there is no market standard established to assess sustainability risk. HIMCO performs a calibration process, led by senior leaders across public and private asset classes to assess industry-specific sustainability risks. The process helps to provide consistency of thought across the platform as issuers within each industry are assessed. Sustainability risk analysis is completed as part of the initial issuer review and for subsequent interim reviews, including as material news or events may warrant. Sustainability risk analysis is one of a range of business and financial risk factors taken into consideration as part of the investment process.

Sustainability factors have been incorporated into HIMCO's proprietary research platforms and analysts provide sustainability assessments and commentary as applicable. HIMCO reevaluates sustainability factors on a regular basis and a changing sustainability risk profile could impact the time horizon of a given holding. The integration of sustainability factors into HIMCO's proprietary research platforms provides HIMCO with reporting capabilities to identify sustainability attributes of the portfolios.

## Engagement

As a primarily fixed income investor, HIMCO engages with issuers through credit underwriting, ongoing surveillance and direct dialogue with management. Engagement includes a focus on sustainability-related risks and opportunities that may influence an issuer's credit quality, financial performance or long-term operating profile. Analysts draw on a wide variety of information including company regulatory filings, sustainability statements, third-party reports and discussions with management to assess sustainability-related factors where relevant. HIMCO utilizes this information as an input into its assessment of an investment's current value and prospective performance. Where engagement identifies material sustainability-related risks that appear insufficiently addressed, these insights may be reflected in HIMCO's credit and sustainability assessments and incorporated into the broader decision-making process, potentially informing position sizing, participation in future issuance or the time horizon of a given holding.

## Training

HIMCO provides sustainability-related training to educate investment staff on HIMCO's sustainable investment process.

# Policies Designed to Incentivize Responsible Behavior

FN-IN-410b.1

## Net premiums written related to energy efficiency and low carbon technology

The Hartford reports premium data by line of business and by state, as required by insurance regulators. Premium information by segment and line of business is discussed in detail within the Supplemental Data sections of our Investor Financial Supplement.

We believe The Hartford is positioned to benefit from the increased economic activity related to renewable energy and have positioned our teams to concentrate on growth in the renewable energy sector within certain lines of business. Premium measures related to energy efficiency within each of our reporting segments are described below. For more information on how we segment our business, see "Notes to Consolidated Financial Statements - Note 3 - Segment Information" in The Hartford's Form 10-K.

## Business Insurance

### Small Business

The Hartford currently serves over one million small business customers. Within our Small Business segment, both property and general liability coverages are offered under a single package policy, marketed under the Spectrum name. Spectrum's base property offering includes a coverage extension for ordinance or law coverage. This coverage helps protect customers from increased costs associated with repairs or replacement of damaged property caused by laws or ordinances designed to promote energy efficient or low carbon construction or repair. Examples of laws or ordinances covered by this policy extension are those mandating compliance with sustainable building practices. All Spectrum policies that have property coverage include the ordinance or law coverage extension. Small Business also offers an optional coverage to provide additional funds to repair or replace damages with eco-friendly green alternatives. For Small Business's Auto line of business, we also offer an endorsement that provides an additional credit if a covered auto is a total loss and the insured chooses to replace it with a hybrid or electric vehicle.

### Middle & Large Business

We offer insurance solutions to both renewable and traditional energy companies, helping them manage climate risks and shift toward a lower-carbon energy mix. Our specialized products provide full coverage for solar, wind, fuel cell and biomass industries.

The business continues to focus on opportunities in the renewable energy sector. Within Middle & Large, we offer specially designed renewable energy products that provide end-to-end coverage for the solar, wind, fuel cell and biomass industries. Renewables now represent over 50% of our energy writings in Middle & Large Business, up from 30% in 2023.

### Global Specialty

The Hartford provides management liability coverage to companies that develop or have operations in renewable energy, energy efficiency and low-carbon technology. Directors and Officers (D&O) insurance supports such companies and projects by providing protection against costly legal fees, whether securities-related or otherwise. Approximately 28% of written premium in our Financial Lines energy and utility portfolio, principally D&O insurance, is written for companies that engage in or support energy efficiency projects and operations.

Financial Lines has developed language, available by endorsement, that supports Real Estate Investment Trusts' sustainability efforts by (i) amending the definition of securities claim to expressly include claims brought by holders of fixed-income debt instruments issued by the insured and (ii) amending the definition of wrongful act to expressly include any actual or alleged failure by the insured to fulfill any obligations or commitments pursuant to the terms and conditions of a bond offering for which the proceeds are intended to fund its sustainability efforts.

Additionally, the Financial Lines business line uses a vendor portal that underwriters access when analyzing D&O risks. The portal provides underwriters a holistic view of the sustainability-related efforts that the prospective insured has undertaken and is a key element in determining whether to underwrite the business.

Our Global Specialty environmental practice provides insurance products to a wide range of industries and companies that are embracing sustainable practices and energy initiatives. The environmental team is focused on increasing the number of environmentally sustainable focused businesses and projects we underwrite, such as solar farms and wind turbine farm installations. The environmental team insures manufacturers, contractors and site owner-operators that support the development and growth of renewable and sustainable energy practices, and, in addition to wind and solar farm installations, actively pursue other green energy projects and properties. Our underwriting guidance gives customers that pursue sustainable practices (e.g., LEED) more favorable limits, deductibles and pricing, as well as longer policy terms. When there is a loss, our products allow our insureds to repair, replace or restore the damaged property with products that meet green standards. Environmental coverage offers that in the event of a loss, the standard coverage pays for the use of and adherence to "green standards" for restoration and cleanup costs.

Our International Marine and Energy practice is seeing an increase in non-carbon and renewable operations as these companies progress on their energy transition plans. Our products and services are designed to support them on this transition journey.

Finally, our Wholesale Excess Casualty team underwrites energy-related industries including renewable power classes such as solar panel installation and residential solar, electrification classes such as battery storage and operation efficiency classes such as insulation manufacturing and installation.

## Personal Insurance

Our Homeowners product offers two optional coverages to help policyholders upgrade to greener alternatives in the event of a covered loss:

- Our Green Rebuilding endorsement provides additional coverage to effect repair or replacement with more environmentally sound alternatives or materials. For example, use of low VOC paint or bamboo vs. wood flooring.
- Our Equipment Breakdown coverage, which provides for the repair or replacement of covered equipment, such as furnaces and central air conditioning, after a mechanical or electrical breakdown event, includes a feature which provides an additional 25% in the event of a loss to help cover the cost of upgrading to a more efficient, 'greener' unit. Over 12.5% of total homeowners policies in-force as of December 31, 2025 include this endorsement.

In 2025, Personal Insurance remained committed to leveraging digital technologies to enhance the customer experience and reduce our own carbon footprint.

We have a broad appetite for electric and hybrid vehicles and insure over 91,000 electric and hybrid vehicles.

We also offer our TrueLane® telematics program to our Personal Insurance Auto policyholders at their option. For policyholders enrolled in TrueLane®, we offer real-time feedback to encourage safer driving behaviors. This not only reduces the risk of accidents and injury but also advances sustainability by improving driving habits which may lower environmental impact and help optimize resource use. The program rewards safe drivers with lower premiums.

## Personal Insurance Mature Market Group

Our Personal Auto Insurance business offers two unique coverage benefits at no additional cost to the customer. These coverage enhancements were created by our in-house gerontologist at The Hartford Center for Mature Market Excellence who applies knowledge on aging to create innovative business solutions for our customers.

Designed to fill gaps for customers with medical payments coverage in states where Personal Injury Protection (no fault) is not offered, RecoverCare provides reimbursement of up to $2,500 for essential services such as cooking, cleaning or shopping, that may be difficult for an insured while they are recovering from a disability or injury caused by an auto accident.

As a part of medical payments coverage, The Hartford's Comprehensive Driving Evaluation program is available to insureds that are injured in an auto accident. The program covers the cost of an optional assessment with a licensed Occupational Therapist of the insured's choice. These evaluations can help individuals regain confidence and make adjustments so they can remain independent and safe behind the wheel. Over 70% of our policyholders have this coverage on their Personal Auto policy.

Our Homeowners policy offers an optional coverage with a focus on helping insureds remain independent in their home long term. Our Replacement Plus/Easy Living Upgrade Universal Design coverage provides an additional limit to incorporate universal design elements into a kitchen or bathroom repair following a covered loss. Universal design elements include enhancements such as pull-out drawers in kitchen cabinets, bathroom grab bars or widened doorways that can accommodate mobility devices.

# FN-IN-410b.2

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

The Hartford has a proud history of helping people prevail through unexpected challenges. Our comprehensive suite of products and services is designed to help protect our customers as well as encourage health, safety and environmentally responsible actions and/or behaviors.

The Hartford began as a fire insurance company in 1810 and has protected people and their property ever since. In addition to our insurance product offerings, The Hartford's Junior Fire Marshal program has taught fire safety and prevention education to children for nearly 80 years, deputizing over 113 million students since 1947. We continued growing our national reach in 2025 while also creating meaningful, in-person experiences that reflect our deep roots in the Hartford community.

An example of our focus on wellness is our longstanding partnership with the National Alliance on Mental Illness (NAMI) to help U.S. employers and workers reduce stigma in the workplace and encourage those with mental health conditions to seek support. Together, we developed a guide to help U.S. workers respond to a mental health crisis at work. We also began creating resources tailored for the unique mental health needs of U.S. workers in manufacturing, education and construction.

In addition to the products and services highlighted above, The Hartford's Risk Engineering team works with our Business Insurance customers to provide a safer and more efficient workplace by creating practical solutions that minimize loss and improve operations. Comprised of industry experts who have significant experience in industrial hygiene and a dedicated industrial ergonomics discipline, our Risk Engineering team offers training to help manage and mitigate business risks including health, safety and environmental risks, in-depth risk assessment surveys and risk improvement recommendations. The team also has access to a fully accredited in-house industrial hygiene lab to provide our field consultants and customers with analytical services, forensic studies, industrial hygiene equipment and direct consultation support. This work serves to materially lower the cost of risk to our customers while also creating safer and healthier work environments.

Our dedicated Catastrophe Claims Operation team is available 24 hours a day, 365 days a year to help customers prepare for and recover from extreme weather events. The team provides guidance on climate-related risks, how to minimize damage and protect property and recommended actions to take following a catastrophic event. Examples of educational support include: earthquake safety, flood protection, hurricane safety and protection from tornadoes, wildfires, winter storms and other catastrophe events.

The Hartford's Risk Engineering team works with our Business Insurance customers to create safer workplaces by providing practical solutions that minimize injuries and incidents while improving operations. The team provides in-depth risk assessment surveys, risk improvement recommendations and expert-developed safety resources to help customers improve workplace conditions.

Risk Engineering also offers innovative, technology-driven specialty services that focus on the risk exposures that impact our customers the most. These services include:

- **Industrial Hygiene:** Our AIHA-accredited in-house lab provides sampling equipment, analytical services and consultative support to help reduce occupational health exposures to air and noise hazards.
- **Injury and Strain Prevention:** Our TrueMotion Ergonomics Service analyses worksite videos and provides AI-generated risk scores, which are then reviewed by a specialist who recommends solutions that reduce the risk of injuries.
- **Health and Wellness Partnerships:** We offer proactive and customized safety and health support services, including first-aid treatment, 24/7 telehealth programs and health and wellness counseling.
- **Driver Management and Telematics:** Our FleetAhead® Telematics program integrates technology and risk management guidance to help businesses better manage driver behavior data and minimize vehicle crashes.

We also offer educational resources to help customers manage climate-related risks, operate in a more sustainable way and prevent environmental construction hazards. Examples include:

- Green Your Business – The Hartford's Business Owner's Playbook
- Green product information including technical information on green construction and an overview of builder's risk insurance

In addition to our renewable energy practice, coverage extensions and endorsements described above (FN-IN-410b.1), we also incentivize responsible behavior through the following offerings:

### Business Insurance

Our Business Insurance products offer the following environmental benefits:

- We offer a Green Rebuilding endorsement which provides coverage for the repair or replacement of property after a covered loss with an equivalent material or product that is considered a green alternative.
- We insure charging stations and solar panels as part of our property insurance policies.
- We are deploying water flow and pressure monitoring solutions that use machine learning to detect leaks. While this has positive implications for preventing water damage incidents, it also shows demonstrable benefits for water conservation by detecting and alerting building managers when water is wasted by leaky faucets, stuck toilet valves and other causes.

As a leading provider of workers' compensation and disability insurance, we see the devastating impact of the opioid epidemic on individuals, families and employers. With this national crisis, the need for access to treatment and options to help manage the costs remains a critical focus for The Hartford. In addition to continued advocacy for nationwide reform, The Hartford's current efforts focus on educating employers, claimants and doctors on the appropriate uses and dangers of opioids, monitoring for inappropriate prescriptions at the point of sale, reviewing flagged prescriptions by our dedicated nurses and providing physician peer review. Further, when an injured worker has a prescription filled for the first time, a drug disposal bag is provided, mitigating the risk those drugs could be used by anyone else.

The Hartford's Credit and Political Risk Solutions (CPRS) team helps financial institutions, private equity firms and multinational corporations manage their country and credit risk around the world. In 2025, over 15% of our CPRS premium involved investments or lending to projects that supported various sustainable development goals such as supporting lending to women or minority-owned businesses, improving access to clean and affordable energy in developing countries (such as the construction of solar and wind farms) and building sustainable and resilient infrastructure in developing countries.

Our Surety Bond Construction customers provide a wide range of services that impact sustainability goals positively, especially infrastructure projects that positively affect our environment. We have provided bonds for mass transit projects, water line replacement, water treatment and wastewater treatment plants, waste handling facilities and bonds for green energy (solar fields and wind power generation).

## Employee Benefits

The products sold in our Employee Benefits business provide important coverages for life-changing incidents such as accidents, illness, disabilities and paid leave. These features include:

- A health screening benefit that is provided with both our hospital indemnity and critical illness insurance products to help identify if a patient is at risk for, or already has, a disease or condition not previously known to assist with prevention and timely treatment.
- Lower rates for non-smokers which may be available for individuals purchasing supplemental life insurance and critical illness.
- Workplace accommodation benefits that are available on long-term disability policies to pay for an employer to make workplace accommodations to allow claimants with disabilities to return to work safely.
- Hospital indemnity insurance plans which include behavioral health and substance support benefits that help provide financial and recovery assistance for mental health and substance abuse (drug and/or alcohol) treatment.
- Paid family and medical leave allows employees to take extended time away from work to care for a family member or for their own non-work-related serious health condition.
- Our new Leave Lens tool that provides clarity and education for caregivers, pregnant employees, new parents and people with disabilities about leave and disability rights and responsibilities.

In addition to the health and safety services highlighted above, The Hartford also provides clinical services to our workers' compensation and Employee Benefits customers, including:

- On-site clinical services customized for each employer's workforce to help workers stay healthy on the job. These programs include a broad array of services delivered by on-site medical professionals, including immediate first-aid treatment, stabilization and triage of worksite injuries, assisting with training and safety inspections and the administration of on-site drug and alcohol testing.
- A coaching program to help workers get back to health after illness or injury. The program uses data to identify injured workers with biological, psychological or social factors known to delay recovery and removes barriers that may impact an injured worker's approach to treatment.

## Personal Insurance

In addition to the coverages described above, our Personal Insurance offerings include features and programs designed to encourage healthier, safer and more environmentally responsible choices. These offerings support customers in managing risk, protecting their homes and vehicles and adopting behaviors that can help improve safety outcomes and reduce environmental impact—while reinforcing our commitment to resilience and responsible living.

Designed to fill gaps for customers with medical payments coverage in states where PIP (no fault) is not offered, RecoverCare provides reimbursement of up to $2,500 for essential services such as cooking, cleaning or shopping, that may be difficult for an insured while they are recovering from a disability or injury caused by an auto accident.

As a part of medical payments coverage, The Hartford's Comprehensive Driving Evaluation program is available to insureds that are injured in an auto accident. The program covers the cost of an optional assessment with a licensed occupational therapist of the insured's choice. These evaluations can help individuals regain confidence and make adjustments so they can remain independent and safe behind the wheel.

Our Replacement Plus/Easy Living Upgrade Universal Design coverage provides an additional limit to incorporate Universal Design elements into a kitchen or bathroom repair following a covered loss. Universal Design elements include enhancements such as pull-out drawers in kitchen cabinets, bathroom grab bars or widened doorways that can accommodate mobility devices.

# Financed Emissions

## FN-IN-410c.1

### Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3

Gross financed emissions for The Hartford's investment portfolio were 1,021,633 metric unit tons of C02 equivalents (tCO2e), as of December 31, 2025.

- Scope 1: 888,429 tCO2e
- Scope 2: 133,204 tCO2e
- Scope 3 emissions are excluded as data is often unavailable, incomplete or inconsistent in definition.

## FN-IN-410c.2

### Gross exposure for each industry by asset class

For a breakdown of gross exposure by industry and asset class, refer to The Hartford's Investor Financial Supplement (p. 31-32).

## FN-IN-410c.3

### Percentage of gross exposure included in the financed emissions calculation

The percentage of gross exposure included in financed emissions calculations is 22%. Our calculation measures The Hartford's financed emissions for holdings of investment grade and high yield public corporate bonds—the asset type for which emissions data is most readily available. Green, Sustainability and Sustainability-Linked Bonds are excluded from the calculation due to the lack of standardized framework for reporting financed emissions of bonds that provide funding for projects supporting a transition to a low-carbon economy.

As of December 31, 2025, approximately 25% of our investment portfolio was invested in investment grade or high yield public corporate bonds, with emissions data available for approximately 90% of those holdings.

## FN-IN-410c.4

### Description of the methodology used to calculate financed emissions

Financed emissions calculations measure The Hartford's share of scope 1 and scope 2 investee emissions based on the Company's investment as a proportion of firm value. For all listed companies, firm value is measured as the enterprise value including cash (EVIC) of the respective company. For traded bonds to private companies, firm value is the sum of total company equity and debt.

Scope 3 emissions are excluded as data is often unavailable, incomplete or inconsistent in definition. Since annual GHG emissions data is reported by most companies with a significant lag after year-end, we use investees' GHG emissions data for the prior year-end relative to the holdings period as of date. For investees who do not self-report GHG emissions data, we use estimates where available from Bloomberg's proprietary GHG emissions estimates model, which uses multiple datasets, such as company location, size, the breakdown of revenue by industry sectors and industry-specific company data to estimate the carbon footprint of non-reporting companies.

# Physical Risk Exposure

## FN-IN-450a.1

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

Catastrophe management at The Hartford includes regular review of probable maximum loss for the enterprise and each business line at various return periods by peril and by geographic region.

In addressing the growing threat of climate risk, the Company acknowledges that changes in climate and or weather patterns have increased the frequency and severity of natural catastrophe events, lengthened the season for those events and has expanded the geographic areas prone to natural catastrophes. These trends are analyzed on a regular basis and identifiable and quantifiable trends are incorporated into natural catastrophe risk models and analytics in the underwriting and assessment of insurance risks the Company provides. The Hartford's continued efforts on assessing and managing climate-related risk include partnering with model vendors, brokers and other climate experts to better understand the evolving and shifting weather patterns. The Hartford continues investing and enhancing climate analytics and working with modeling firms to advance climate evaluation tools. The Company utilizes vendor catastrophe models to model natural catastrophe perils including hurricane, flood, earthquake, hail, tornado, wildfire and winter storm, which incorporate climatic assumptions and probabilistic events, producing loss distributions by peril, region and product coverage.

The following table represents the probabilities that estimated pre-tax catastrophe losses, from an aggregate of all catastrophe events and from a single hurricane or earthquake event occurring in a one-year timeframe before and after reinsurance, will equal or exceed the indicated loss amounts before and after reinsurance. The Hartford generally limits its estimated pre-tax loss as a result of natural catastrophes for property & casualty exposures from a single 250-year event to less than 30% of the reported capital and surplus of the property and casualty insurance subsidiaries prior to reinsurance and to less than 15% of the reported capital and surplus of the property and casualty insurance subsidiaries after reinsurance. The Company generally limits its estimated before tax loss from an aggregation of multiple natural catastrophe events from an all-peril annual aggregate 100-year event to less than 18% of the reported capital and surplus of the property and casualty insurance subsidiaries after reinsurance.

Estimated catastrophe projected losses are based on proprietary methodologies and vendor models utilized by The Hartford. Modeled catastrophe loss estimates are not comparable across insurers since there are no industry-standard methodologies and assumptions for projecting catastrophe losses. Catastrophe modeling methodologies and assumptions reflect both experience and science, as well as judgement, which may result in volatility of modeled loss. Therefore, the loss results in the table below exhibit high confidence directionally, however inherent uncertainty exists in the magnitude of modeled loss.

| **Modeled Loss Gross and Net of Reinsurance ($ millions)** | | |
|---|---|---|
| Probable Maximum Loss (Likelihood of Exceedance) | Gross of Reinsurance | Net of Reinsurance |
| Aggregate annual all-peril (1-in-100 Year) (1.0%) | $3,303 | $1,827 |
| Aggregate annual all-peril (1-in-250 Year) (0.4%) | $4,453 | $2,557 |
| Hurricane single occurrence (1-in-100 Year) (1.0%) | $1,899 | $720 |
| Hurricane single occurrence (1-in-250 Year) (0.4%) | $2,986 | $1,379 |
| Earthquake single occurrence (1-in-100 Year) (1.0%) | $1,067 | $508 |
| Earthquake single occurrence (1-in-250 Year) (0.4%) | $1,756 | $699 |

***The modeled probability of loss exceedance represents the likelihood that total property modeled loss for hurricane single occurrence events, property and workers' compensation modeled losses for earthquake single occurrence events and modeled aggregate annual losses for natural catastrophe losses from all perils (hurricane, flood, earthquake, hail, tornado, wildfire and winter storms) will exceed the indicated amount in a one-year time frame. The net loss estimates provided assume that the Company is able to recover all losses ceded to reinsurers under its reinsurance programs.***

The Company does not publish a breakdown of its PML by geographic location for natural catastrophe perils; however, exposures and modeled loss within hazard zones, region and peril are managed within a defined risk appetite as discussed below. The Company uses reinsurance to transfer certain risks to reinsurance companies based on specific geographic or risk concentrations. See discussion in FIN-IN-450a.2 below that provides information about incurred catastrophe losses by peril.

## 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)

Table 1 on the next page displays catastrophe losses incurred in the 2023, 2024 and 2025 accident years as estimated as of December 31, 2025. Table 2 reconciles the amount of catastrophe losses as originally reported for those accident years in The Hartford's Form 10-K to the amount of catastrophe losses for each of those accident years as estimated as of December 31, 2025 with the difference representing unfavorable (favorable) prior accident year reserve development. Amounts shown are net of losses recoverable from reinsurance and exclude reinstatement premium paid or owed to reinsurers, if any. The Hartford has models for all significant catastrophe perils and historical losses related to non-modeled catastrophes are reflected in the 'other' category in Table 1.

For U.S. events, a catastrophe is an event that causes $25 million or more in industry insured property losses and affects a significant number of property and casualty policyholders and insurers, as defined by the Property Claim Services office of Verisk. For international events, the Company's approach is similar, informed, in part, by how the Lloyd's of London market defines catastrophes. Catastrophe losses by peril shown in the tables below are net of both facultative and treaty reinsurance. For accident year 2025, estimates are net of recoverables for losses incurred during the January 2025 wildfire events in California that were reinsured under the per occurrence property catastrophe treaty that covers a portion of losses in excess of $200 million from one event other than earthquakes and named hurricanes and tropical storms. Based on estimate loss as of December 31, 2025, there are no reinsurance recoverables under the Company's aggregate property catastrophe treaty for accident years 2023, 2024 or 2025, as shown on a separate line in Table 1.

**Table 1: Accident Year Catastrophe Losses, Net of Reinsurance, by Accident Year as Estimated as of December 31, 2025 ($ in millions)**

| | Accident Year 2025 | | | Accident Year 2024 | | | Accident Year 2023 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Business Insurance | Personal Insurance | Total | Business Insurance | Personal Insurance | Total | Business Insurance | Personal Insurance | Total |
| Tornado, Wind and Hail | $177 | $207 | $384 | $210 | $188 | $398 | $254 | $233 | $477 |
| Winter storm | 12 | 9 | 21 | 48 | 19 | 67 | 62 | 15 | 77 |
| Tropical storms | – | – | – | – | – | 0 | 3 | 2 | 5 |
| Hurricanes | 2 | 0 | 2 | 131 | 64 | 195 | 3 | 1 | 4 |
| Wildfires | 144 | 111 | 255 | 1 | 9 | 10 | 2 | 6 | 8 |
| Earthquake | – | – | – | – | – | – | – | – | – |
| Other | 1 | – | 1 | 1 | – | 1 | 5 | – | 5 |
| Losses ceded to the aggregate treaty | – | – | – | – | – | – | – | – | – |
| Global assumed reinsurance business[1] | 85 | – | 85 | 74 | – | 74 | 77 | - | 77 |
| **Net catastrophe losses** | **$421** | **$327** | **$748** | **$465** | **$280** | **$745** | **$406** | **$247** | **$653** |

**Table 2: Reconciliation of Accident Year Catastrophe Losses, Net of Reinsurance by Accident Year as Originally Reported to Estimates as of December 31, 2025 ($ in millions)**

| | Accident Year 2025 | | | Accident Year 2024 | | | Accident Year 2023 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Business Insurance | Personal Insurance | Total | Business Insurance | Personal Insurance | Total | Business Insurance | Personal Insurance | Total |
| Net catastrophe losses as originally reported at end of each accident year[2] | $421 | $327 | $748 | $486 | $282 | $768 | $436 | $240 | $676 |
| Development in subsequent calendar years[3] | 0 | 0 | 0 | (21) | (2) | (23) | (30) | 7 | (23) |
| **Net catastrophe losses estimated as of 12/31/2025** | **$421** | **$327** | **$748** | **$465** | **$280** | **$745** | **$406** | **$247** | **$653** |

[1] Global assumed reinsurance catastrophe losses were from both U.S. catastrophe events attributable by peril as designated by Property Claim Services office of Verisk (PCS) and from international catastrophe events which are not attributable by peril, and therefore, have been aggregated on one line item.

[2] Source: The Hartford's 10-K Filing (2025, 2024, and 2023). Excludes prior year development in subsequent years.

[3] Favorable development during calendar years 2024 and 2025 related to the 2023 accident year of $23 million was principally due to reduction in estimated losses in business insurance and increase in personal insurance for tornado and hail events. Favorable development during calendar year 2025 for accident year 2024 of $23 million consisted of development across all perils.

The Company does not have geographic segments and, therefore, we do not provide information on natural catastrophe losses by geographic segment. In Table 1 on page 15, tornado, wind and hail events were largely concentrated in the Central Plains, Midwest, South and Mountain West. Winter storm incurred losses have expanded into the Southeast and Southwest in recent years, in addition to the Northern Plains, Midwest and Northeast. Tropical storms and hurricane events were primarily along the Gulf coast and Atlantic coast and wildfire losses were largely concentrated in California.

Reserving actuaries, who are independent of the business, regularly review reserves for both current and prior accident years using the most current claims data. The reserve selections incorporate input, as appropriate, from claims personnel, pricing actuaries, enterprise risk management and operating management about reported loss cost trends and other factors that could affect the reserve estimates.

## Management of catastrophe risks

The Hartford manages catastrophe risk and climate-related risk through a multifaceted approach to respond to trends and manage exposure through hazard evaluation, micro-concentration assessment, aggregation management and underwriting guidelines.

In addition to evaluating historical losses and estimated modeled losses to manage aggregation and concentration risk, The Hartford reviews other information such as exposed total insured value, risk characteristics of both the location and surrounding area, risk characteristics of the property and market share. Actual exposure and concentration by natural catastrophe peril and region are monitored relative to a defined hazard zone to ensure the Company manages exposure within a defined risk appetite. Hurricane concentrations are managed along the coastline from Texas to Maine and we manage risks between coastal and non-coastal areas. Wildfire concentrations are managed against established thresholds by monitoring exposure based on internally simulated wildfire paths that indicate areas that could possibly be affected by significant wildfires. Additionally, wildfire hazard exposures are monitored by business line based on internally developed risk categories that estimate the degree of exposure to wildfires by risk class. For tornado and hail events, we review modeled losses, exposure concentrations, historical loss data and market share information for both individual events and annual aggregates to identify areas within states with the most exposure to tornado and hail losses.

Increases in the values and concentrations of insureds and property located in geographic areas prone to catastrophe risk would increase the severity of catastrophe events in the future. In addition, changes in climate and/or weather patterns may increase the frequency and/or intensity of severe weather and natural catastrophe events potentially leading to increased insured losses. Potential examples include an increase in the frequency, seasonality and intensity of wind, thunderstorm and tornado/hailstorm events due to increased convection in the atmosphere; more frequent and larger wildfires in certain geographies; and the potential for an increase in the frequency and severity of hurricane events. If insured losses from catastrophe events were to increase due to changes in climate or weather patterns, we may have to increase the premiums we charge and, in turn, may have to either pay more in premiums for the reinsurance coverage we purchase and/or reduce the amount of per occurrence or aggregate losses we reinsure.

For more information on how The Hartford manages climate-related risks, please see our TCFD report.

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 firm-level risks and capital adequacy

The Hartford closely monitors and studies scientific literature on severe weather and climate trends to help identify climate-related risk impacting our business. The Hartford uses data from the scientific community and other outside experts including partnerships with third-party catastrophe modeling firms to stay informed of potential impacts of climate risk. To manage the implications of severe weather and climate risk in the insurance portfolio, we incorporate these risks into catastrophe risk assessment and management strategies through product pricing, underwriting and management of aggregate risk. Micro-concentration assessment tools and metrics are used to manage exposures. Scenario analysis is used to assess the impact on earnings volatility and capital.

The Hartford also addresses the threat of climate change through underwriting management including risk selection, establishing limits to loss on individual policies and limiting the authority of underwriters in our field offices. As discussed above, The Hartford actively monitors exposure to catastrophe events utilizing third-party models to estimate insureds' exposure to potential loss and the financial impact those events would have on our financial position, results of operations and cash flows across our businesses.

Aggregations by peril and region are monitored and proactively managed through strategic growth and exposure management initiatives. The Hartford's approach to evaluating catastrophe risk is facilitated through regular review and oversight that cascades from the executive team to business leaders, underwriters, investment managers and field leaders.

The Hartford's underwriting guidelines instruct underwriters to decline classes of business that constitute an unacceptable level of health hazard, moral hazard, environmental impact, pollution risk or dangerous operations. The Hartford also considers MSCI's ESG ratings when underwriting public company directors and officers coverage.

Since 2019, The Hartford has maintained a Policy on Insuring and Investing in Coal, Tar Sands to limit insuring and investing in coal and tar sands companies.

Pricing and underwriting are key factors in our financial performance, while capital allocation is important for managing required return on capital for each business line, as well as meeting rating agency and regulatory requirements for capital. The Hartford incorporates target return on capital in the underwriting decisions. The Company's target return on capital is reflective of the enterprise required risk capital and capital adequacy.

The Enterprise Risk and Capital Committee (ERCC), chaired by the CEO and comprised of senior leaders, oversees the Company's risk profile, capital structure and risk management practices. The ERCC has oversight of significant Company-wide risk exposures. Responsibility for the development and oversight of the Company's policy on environmental stewardship at the executive level rests with the Office of the General Counsel. The General Counsel and Chief Sustainability Officer, through staff and in concert with representatives from the Company's underwriting, research, enterprise risk management and operations management departments, is responsible for periodically reporting to the Company's Executive Leadership Team and the Nominating and Corporate Governance Committee of the Board on the Company's progress in responding to the effects of climate change. The Board of Directors has ultimate responsibility for risk oversight including climate-related risks, exercised through standing committees, including the Finance, Investment and Risk Management Committee (FIRMCo).

For more information on how The Hartford manages climate-related risks, please see our TCFD report.

# Systemic Risk Management

## FN-IN-550a.1

### Exposure to derivative instruments by category: (1) total potential exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives

**Derivatives Instruments:**

The Company utilizes a variety of over-the-counter ("OTC"), OTC-cleared and exchange-traded derivative instruments as a part of its overall risk management strategy as well as to enter into replication transactions or income generation covered call transactions. Derivative instruments are used to manage risk associated with interest rate, equity market, credit spread, issuer default, price and currency exchange rate or volatility. Replication transactions are used as an economical means to synthetically replicate the characteristics and performance of assets that are permissible investments under the Company's investment policies. The types of instruments may include swaps, caps, floors, forwards, futures and options. Derivatives are utilized to achieve the following Company-approved objectives: hedging risk arising from interest rate, equity market, commodity market, credit spread and issuer default, price or currency exchange rate risk or volatility; managing liquidity; controlling transaction costs; and engaging in income generation covered call transactions and synthetic replication transactions.

Derivative activities are monitored and evaluated by the Company's compliance and risk management teams and reviewed by senior management.

The Company's derivative transactions conducted in insurance company subsidiaries are used in strategies permitted under the derivative use plans required by the State of Connecticut, the State of Illinois and the State of New York insurance regulators.

For further discussion on derivatives, please refer to the The Hartford's Form 10-K.

| Exposure to derivative instruments by category as reported by legal entity on schedule DB as of December 31, 2025 ($ millions) | |
|---|---|
| Total potential exposure[1] to non-centrally cleared derivatives | $109 |
| Total fair value of acceptable collateral posted with the Central Clearinghouse | $43 |
| Total potential exposure[1] to centrally cleared derivatives | $421 |

[1] Potential exposure is a statistically derived measure defined by the NAIC that is reported on Schedule DB – Part D and is not necessarily reflective of the company's view of credit risk. The figures above include an aggregation of amounts reported on the Hartford Fire Insurance Company Combined Annual Statement for Hartford Fire pool companies, Hartford Life and Accident Insurance Company, and Navigators Company and its Combined Affiliate.

## FN-IN-550a.2

### Total fair value of securities lending collateral assets

As of December 31, 2025, the Company does not have securities on loan as part of a securities lending program.

## FN-IN-550a.3

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

The Hartford's Board of Directors has ultimate responsibility for risk oversight, as described in our Proxy Statement, while management is tasked with the day-to-day management of the Company's risks. The Company manages and monitors risk through risk policies, controls and limits. At the senior management level, the Enterprise Risk and Capital Committee (ERCC) oversees the risk profile and risk management practices of the Company. As illustrated below, a number of functional committees sit underneath the ERCC, providing oversight of specific risk areas and recommending risk mitigation strategies to the ERCC. The Company's Enterprise Risk Management (ERM) function supports the ERCC and functional committees and is tasked with, among other things:

- risk identification and assessment;
- the development of risk appetites, tolerances and limits;
- risk monitoring; and
- internal and external risk reporting.

The Company categorizes its primary risks as insurance risk, operational risk and financial risk. Non-insurance financial risks include liquidity-related risks and other financial risks described in more detail below.

### Financial risk:

Financial risks include direct and indirect risks to The Hartford's financial objectives from events that impact financial market conditions and the value of financial assets. Some events may cause correlated movement in multiple risk factors. The primary sources of financial risks are the Company's invested assets.

Consistent with its risk appetite, the Company establishes financial risk limits to control potential loss on a U.S. GAAP, statutory and economic basis. Exposures are actively monitored and managed, with risks mitigated where appropriate. The Company uses various risk management strategies, including limiting aggregation of risk, portfolio re-balancing and hedging with over-the-counter and exchange-traded derivatives with counterparties meeting the appropriate regulatory and due diligence requirements.

### Liquidity risk:

Liquidity risk is the risk to current or prospective earnings or capital arising from the Company's inability or perceived inability to meet its contractual funding obligations as they come due. Sources of liquidity risk include funding risk, company-specific liquidity risk and market liquidity risk resulting from differences in the amount and timing of sources and uses of cash as well as company-specific and general market conditions. Stressed market conditions may impact the ability to sell assets or otherwise transact business and may result in a significant loss in value of the investment portfolio. Inadequate capital resources and liquidity could negatively affect the Company's overall financial strength and its ability to generate cash flows from its businesses, borrow funds at competitive rates and raise new capital to meet operating and growth needs.

The Company may also experience liquidity pressures to provide additional capital to certain insurance subsidiaries, reductions in the amount of available dividend capacity from our subsidiaries and the need to post more collateral due to declining investment valuations or due to requirements under derivative agreements. Further, among other possible actions, we may choose not to repurchase shares and decide to invest proceeds from maturing fixed maturities in short-term investments which earn lower returns.

### Management approach to addressing liquidity risk:

The Company has defined ongoing monitoring and reporting requirements to assess liquidity across the enterprise under both current and stressed market conditions. The Company measures and manages liquidity risk exposures and funding needs within prescribed limits across legal entities, taking into account legal, regulatory and operational limitations to the transferability of liquid assets among legal entities. The Company also monitors internal and external conditions, and identifies material risk changes and emerging risks that may impact operating cash flows or liquid assets. The Company's Chief Financial Officer has primary responsibility for managing liquidity risk.

The liquidity requirements of the holding company of The Hartford Insurance Group, Inc. (HIG Holding Company) have been and will continue to be met by HIG Holding Company's fixed maturities; short-term investments and cash; and dividends from its subsidiaries, principally its insurance operations, as well as the issuance of common stock, debt or other capital securities and borrowings from its credit facilities as needed.

The Company maintains sufficient liquidity and has a variety of contingent liquidity resources to manage liquidity across a range of economic scenarios. These resources include a revolving credit facility, an intercompany liquidity agreement that allows for short-term advances of funds among the HIG Holding Company and certain affiliates, and access to collateralized advances from the Federal Home Loan Bank of Boston (FHLBB) for certain affiliates. The Company could also choose to have its insurance subsidiaries sell certain highly liquid, high quality fixed maturities or the Company could issue debt in the public markets under its shelf registration.

### Other risks to capital from non-insurance activities:

In addition to liquidity risk, the Company's capital is subject to other financial risks, including credit risk, interest rate risk, equity risk and foreign currency exchange risk.

- **Credit risk** is the risk to earnings or capital due to uncertainty of an obligor's or counterparty's ability or willingness to meet its obligations in accordance with contractually agreed upon terms. A decline in creditworthiness is typically reflected as an increase in an investment's credit spread and an associated decline in the investment's fair value, potentially resulting in recording an allowance for credit losses and an increased probability of a realized loss upon sale. In certain instances, counterparties may default on their obligations and the Company may realize a loss on default.

- **Interest rate risk** is the risk of financial loss due to adverse changes in the value of assets and liabilities arising from movements in interest rates. Interest rate risk encompasses exposures with respect to changes in the level of interest rates, the shape of the term structure of rates and the volatility of interest rates. The Company has exposure to non-insurance interest rate risk arising from its fixed maturity investments, commercial mortgage loans we invest in as well as debt securities, preferred stock and similar securities issued by the Company.
- **Equity risk** is the risk of financial loss due to changes in the value of global equities or equity indices. The Company has exposure to equity risk from invested assets, assets that support the Company's pension and other postretirement benefit plans, and fee income derived from Hartford Funds assets under management. The investment portfolio is exposed to losses from market declines affecting equity securities and derivatives, which could negatively impact the Company's reported earnings. In addition, investments in limited partnerships and other alternative investments generally have a level of correlation to domestic equity market levels and can expose the Company to losses in earnings if valuations decline; however, earnings impacts are recognized on a lag as results from private equity investments and other funds are generally reported on a three-month delay. For assets supporting pension and other postretirement benefit plans, the Company may be required to make additional plan contributions if equity investments in the plan portfolios decline in value. Hartford Funds earnings are also significantly influenced by the U.S. and other equity markets. Generally, declines in equity markets will reduce the value of average daily assets under management and the amount of fee income generated from those assets.
- **Foreign currency exchange risk** is the risk of financial loss due to changes in the relative value between currencies. The Company has foreign currency exchange risk in non-U.S. dollar denominated cash, fixed maturities, and derivative instruments. In addition, the Company has non-U.S. subsidiaries, some with functional currencies other than U.S. dollar. Changes in relative values between currencies can create variability in cash flows and realized or unrealized gains and losses on changes in the fair value of assets and liabilities.

### Management approach to addressing other non-insurance risks to capital:

The Company manages its non-insurance credit risk by managing aggregations of risk, holding a diversified mix of issuers and counterparties across its investment portfolio and limiting exposure to any one counterparty. Potential credit losses are mitigated through completion of fundamental credit analysis, diversification (e.g., geographic regions, asset types, industry sectors), hedging and the use of collateral to reduce net credit exposure. Aggregate counterparty credit quality and exposure are monitored on a daily basis utilizing an enterprise-wide credit exposure information system that contains data on issuers, ratings, exposures and credit limits. The Company may also use credit default swaps to manage credit exposure or to assume credit risk to enhance yield.

The Company manages its exposure to non-insurance interest rate risk by constructing investment portfolios that seek to protect the Company from the economic impact associated with changes in interest rates by setting portfolio duration targets that are aligned with the duration of the liabilities that they support. The Company utilizes a variety of derivative instruments to mitigate interest rate risk associated with its investment portfolio.

The Company uses various approaches in managing its equity exposure, including limits on the proportion of assets invested in equities, and, at times, hedging of changes in equity indices.

The Company manages its foreign currency exchange risk primarily through asset-liability matching and through the use of derivative instruments.

Through modeling of economic scenarios, the Company manages its risks so it holds capital and liquidity levels above established minimum thresholds under stressed market conditions, including, among others, scenarios that assume a significant reduction in equity markets and substantially wider credit spreads. Statutory capital levels for U.S. insurance subsidiaries are also managed so that statutory capital held exceeds the risk-based capital (RBC) level as defined by a formula promulgated by the National Association of Insurance Commissioners (NAIC). All of the Company's U.S. operating insurance subsidiaries had RBC ratios in excess of the minimum levels required.

For more information on capital and liquidity risks, refer to the "Capital Resources & Liquidity" section of the Management's Discussion and Analysis of Financial Condition and Results of Operations - Investment Portfolio Risk, in The Hartford's Form 10-K.

### Repurchase agreements, other collateral transactions and restricted investments:

The Company may at times enter into securities financing transactions as a way to earn additional income or manage liquidity, primarily through repurchase agreements.

**Repurchase Agreements:**

| Repurchase Agreements ($ millions) | | |
|---|---|---|
| | Dec. 31, 2025<br>Fair Value | Dec. 31, 2024<br>Fair Value |
| Gross amount of recognized receivables for reverse repurchase agreements | $87 | $– |

From time to time, the Company enters into reverse repurchase agreements where the Company purchases securities and simultaneously agrees to resell the same or substantially the same securities. The maturity of these transactions is generally within one year. The agreements require additional collateral to be transferred to the Company under specified conditions and the Company has the right to sell or re-pledge the securities received. The Company accounts for reverse repurchase agreements as collateralized financing. The receivable for reverse repurchase agreements is included within short-term investments in the Company's Consolidated Balance Sheets.

For more information on Reverse Repurchase Agreements, Other Collateral Transactions and Restricted Investments, please see The Hartford's Form 10-K.

# Activity Metrics

## FN-IN-000.A

### Number of policies in-force, by segment

The policies in-force data for P&C represents the number of policies with coverage in effect as of the end of the period. The number of policies in-force is a growth measure used for Personal Insurance and Small Business within Business Insurance and is affected by both new business growth and policy count retention. See The Hartford's Form 10-K for Small Business (pg. 71) and Personal Insurance automobile and homeowners (pg. 76).

The number of customers shown for Employee Benefits in the table below represents a unique customer count where a customer is an employer. We provide coverages to the employees of these customers. If a customer offers multiple disability coverages to its employees, the customer is only counted once. If a customer offers both life and disability coverages to its employees, the customer is included in both product counts. The customer counts exclude Specialty Markets policies, which represents about 5% of Employee Benefits premium.

| Employee Benefits Customers (in thousands) | | |
|---|---|---|
| | December 31, 2025 | December 31, 2024 |
| Group Life | 26 | 26 |
| Group Disability | 51 | 53 |