



ASSURANT®

## Assurant Q1 2026 Earnings Transcript

### PARTICIPANTS

#### Corporate Participants

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**Keith Demmings** - President & Chief Executive Officer, Assurant, Inc.

**Keith Meier** - Executive Vice President, Chief Financial Officer, Assurant, Inc.

**Sean Moshier** - Vice President, Investor Relations, Assurant, Inc.

#### Other Participants

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**Mark Hughes** - Analyst, Truist

**Tommy McJoynt** - Analyst, KBW

**Jeff Schmitt** - Analyst, William Blair

**Charlie Lederer** - Analyst, BMO

**Brian Meredith** - Analyst, UBS

#### Management Discussion Session

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**Operator:** Welcome to Assurant's First Quarter 2026 Conference Call and Webcast. At this time, all participants have been placed in listen-only mode, and the floor will be open for questions following management's prepared remarks. We ask that you please hold all questions until the completion of the formal remarks, at which time you'll be given instructions for a question-and-answer session. It is now my pleasure to turn the floor over to Sean Moshier, Vice President of Investor Relations. You may begin.

#### Sean Moshier, Vice President, Investor Relations, Assurant, Inc.

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Thank you, operator, and good morning, everyone.

We look forward to discussing our first quarter results with you today. Joining me for Assurant's conference call are Keith Demmings, our President and Chief Executive officer and Keith Meier, our Chief Financial Officer.

Yesterday, after the market closed, we issued an earnings release announcing our results for the first quarter 2026. The release and corresponding financial supplement are available on [assurant.com](http://assurant.com). Also on our website is a slide presentation for our webcast participants.

Some of the statements made today are forward-looking. Forward-looking statements are based upon our historical and current expectations and subject to risks, uncertainties and other factors that may cause actual results to differ materially from those contemplated by these statements. Additional information

regarding these factors can be found in the earnings release, presentation and financial supplement on our website, as well as in our SEC reports.

During today's call, we will refer to non-GAAP financial measures, which we believe are important in analyzing the company's performance. For more details on these measures, the most comparable GAAP measures, and a reconciliation of the two, please refer to the earnings release, presentation and financial supplement on our website.

We'll start today's call with remarks before moving into Q&A. I will now turn the call over to Keith Demmings.

**Keith Demmings, President & Chief Executive Officer, Assurant, Inc.**

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Good morning and thank you for joining us.

Following a remarkable 2025, where we delivered our third consecutive year of double-digit earnings and EPS growth, we're pleased to share that 2026 is off to a strong start.

The first quarter represents the strongest performance in Assurant's history, driven by record earnings in Global Lifestyle. We delivered 6% growth in adjusted EBITDA and 9% growth in adjusted EPS, both excluding reportable catastrophes. When excluding impacts from Global Housing's prior-year reserve development, these metrics grew 8% and 12%, respectively.

Once again, our diversified portfolio and disciplined execution supported strong performance in a dynamic operating environment. Our results this quarter reflect the momentum we've built across the enterprise, supported by the durability of our earnings. We leverage the strength and flexibility of our capital position to accelerate share repurchases during the quarter, given our compelling valuation.

At the center of our performance is our talented workforce, leading with insight, challenging convention, and delivering with discipline. Their commitment continues to help us and our clients win together, as we redefine protection and related services and create value across the markets we serve.

The first quarter represents an exceptional start to the year, reinforcing our path to achieving our 10th consecutive year of profitable growth.

Turning to Global Lifestyle, we delivered an exceptional first quarter, with double-digit earnings growth in both Connected Living and Global Automotive.

In Connected Living, earnings increased 18%, driven by expansion with existing clients and continued optimization of recently added programs. As our earnings benefit from the momentum we've built, we continue to execute on our compelling pipeline of new opportunities, with four new mobile announcements this quarter.

First, our long-term agreement with T-Mobile supports our leadership and innovation in this space. Following the success of our reverse logistics partnership, we deepened our relationship following T-Mobile's acquisition of US Cellular, successfully migrating another large in-force mobile subscriber base and contributing to an increase in our total devices protected that now stands at nearly 69 million devices globally.

Like our prior device protection migration with Sprint, this reflects our proven ability to quickly transition large, complex device protection portfolios with minimal disruption and low subscriber churn, a critical proof point for potential new clients. Taken together, these milestones reinforce the strength of our relationship with a leading US carrier and highlight the strategic value of our integrated mobile protection, repair, and logistics platform.

Second, we're extending our leadership in reverse logistics through a new opportunity with another large US carrier. This engagement expands our existing services to support all device return and disposition channels. Return devices will be repaired for circular usage, creating incremental value across their network.

Devices will be processed through our highly automated Nashville Device Care Center, demonstrating how our investments in scaled infrastructure and operational excellence are enabling us to deepen relationships with key mobile partners and unlock new growth opportunities.

Third, we recently expanded our partnership with Xfinity Mobile through a new rate plan that includes lifetime device protection for phones, tablets and watches, and includes a benefit that allows customers to receive a phone upgrade anytime.

These benefits are embedded in Xfinity's Mobile Plus plan at a single bundled cost to customers. This milestone builds on our 10-year partnership with Xfinity and underscores our shared focus on long-term customer value.

And finally, following last year's introduction of Verizon's Total Wireless Protect, we expanded the offering to now include a more comprehensive loss and theft product. In addition, we recently launched Straight Talk Protect. This collaboration represents our third prepaid brand with Verizon and further strengthens our footprint with this major carrier.

Our success over the last two years in mobile has built extraordinary momentum. Our embedded, scalable model demonstrates mobile's multiple growth paths, deep client entanglement, and our innovation-led operating model.

Turning to Global Automotive. Following an inflection year in 2025, earnings increased 23% in the quarter, benefiting from higher investment income and continued loss improvement.

Our performance this quarter positions the business for continued growth in 2026, as we remain focused on solidifying and expanding existing partnerships and winning new business across the globe. To support future growth, we're advancing capabilities utilizing AI across the business.

Throughout 2026, we'll be introducing new products and capabilities fueled by AI, focused on enhancing dealership training, streamlining claims processing, and improving customer experience, while leveraging our scale to drive share gains with existing partners and win in the marketplace.

Turning to Global Housing. Following 2025's performance, where we surpassed \$1 billion in adjusted EBITDA excluding cats, our first quarter results position us for solid underlying earnings growth in 2026, excluding prior year development. Underlying performance in the quarter was driven by double-digit top line growth in homeowners. For the year, we continue to expect a combined ratio in the low to mid-80s. This excludes prior-year development and reflects our full year cat assumption of \$185 million.

We differentiate Housing's performance through strong returns, client retention, and renewal execution. During the first quarter, we completed two long-term renewals with large lender-placed partners representing over 5 million loans.

As we look at the remainder of 2026, we see clear opportunities to further build upon our market-leading position as we execute on our robust new business pipeline.

In renters, we continue to see strength in our property management company channel, supporting ongoing growth in policies and reinforcing the effectiveness of our strategy. This channel continues to grow premiums double digits, as today we serve six of the top 10 PMCs.

Our partners are realizing significant benefits from our platform. Throughout 2026, we remain focused on scaling our latest version of Cover360, which is driving double-digit penetration and premium lift across our PMC client base.

Assurant continues to differentiate our performance, while reinforcing our attractive valuation and compelling investment profile. Our differentiated portfolio of lifestyle and housing businesses continues to deliver diversified earnings and cash flow, supporting strong returns, robust cash flow, and attractive growth with lower volatility.

Since 2020, we've grown adjusted EBITDA at an 11% compounded annual growth rate, while growing adjusted EPS at a 17% CAGR, both excluding catastrophes. This was supported by strong returns, generating an average ROE of approximately 14% and a return on tangible equity over 30%.

Our outperformance against the broader S&P 1500 P&C Group demonstrates our multiyear track record of differentiated results. Over the last five years, we've outperformed the group median for adjusted EBITDA and EPS, including cats, and in-line or better when excluding cats.

Finally, I'll provide an update on Assurant Home Warranty. While we're still very early, the launch of our new long-term relationship with Compass International Holdings, spanning six US real estate brands, continues to progress well.

As we ramp, we're working closely with Compass to drive agent education, marketing, product penetration, and a positive customer experience. We believe our Home Warranty solutions are resonating in the market, reinforcing our confidence in both our strategy and our ability to scale over time.

For Assurant overall, first quarter was a strong start to the year, supported by the durability of our earnings model, the strength of our partnerships, and our disciplined execution across the enterprise. We are proud of the longterm performance we've continued to drive, delivering consistently, investing for growth, and creating value for shareholders.

I'll now turn the call over to Keith Meier to speak to the underlying growth levers of our business, including our updated 2026 outlook. With that, Keith, over to you.

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**Keith Meier, Executive Vice President & Chief Financial Officer, Assurant, Inc.**

Thanks, Keith, and good morning, everyone. 2026 is off to an excellent start. We're excited about our performance and our increased outlook for the full year.

We're operating from a position of strength, reflecting our powerful B2B2C distribution strategy in both lifestyle and housing.

We continue to embed innovation across everything we do, deploying technology enhancements, including AI and automation, to drive simpler, faster and more consistent outcomes for our clients and customers. Our results this quarter are the product of disciplined execution and our commitment to operational excellence, as we deliver differentiated customer experiences and attractive returns for shareholders.

Before reviewing our updated 2026 outlook, let me start by highlighting our strong first quarter results beginning with Global Lifestyle.

First quarter adjusted EBITDA increased 20%, or \$39 million compared to last year. Results included a \$13 million real estate joint venture gain, of which \$10 million was in Global Automotive.

Within Connected Living, EBITDA growth was 18%, or \$22 million, led by continued expansion with existing clients and optimization of recently added programs.

Strong growth within our mobile device protection programs was supported by the addition of over 4 million subscribers across our US and international partnerships, including T-Mobile's conversion of US Cellular to Assurant.

In global trade-in and reverse logistics, we processed nearly 7.5 million devices, an increase of approximately 2 million, driven by our reverse logistics programs and underlying organic growth. In Global Automotive, adjusted EBITDA increased 23%, or \$17 million, including \$10 million from the real estate gain.

Excluding that gain, earnings in Global Auto increased 9%, or \$7 million. This growth was driven by continued improvement in loss experience following prior rate actions, enhancements to claims processes and product designs within our vehicle service contract offerings, and improved performance in our guaranteed asset protection, or GAP, product.

For Global Lifestyle overall, net earned premiums, fees and other income grew 11%, primarily driven by Connected Living growth from mobile trade-in and global protection programs, as well as the recent launch of our partnership with Best Buy.

Moving to Global Housing. First quarter adjusted EBITDA was \$237 million, including \$24 million of reportable catastrophes. Excluding cats, adjusted EBITDA was \$261 million.

Absent the impacts of lower favorable prior period reserve development, underlying results were level year-over-year.

First quarter results included a more normalized non-cat loss ratio of approximately 38%, excluding prior-year development, aligned with our expectations. This compared to a loss ratio in first quarter of 2025 that was lower than typical. Strong growth from higher in-force policies and average premiums in lender-placed allowed us to offset a more normalized loss ratio.

Additionally, we saw growth from specialty products and higher investment income.

Turning to our cat reinsurance program. We are very pleased with the outcome of our 2026 program placement, which was finalized on April 1.

Through our continued partnership with roughly 40 highly rated reinsurers, we secured strong coverage once again with more favorable terms than the prior year.

Our per event retention of \$160 million is consistent with our retention from our 2025 program, representing a one-in-five-year probable maximum loss, or PML. Our main US program provides nearly \$1.6 billion of loss coverage in excess of our retention, protecting Assurant and its policyholders against severe events for up to a 1-in-265-year PML. Our protection in Florida is even more robust, with \$1.8 billion of loss coverage in excess of our retention.

In terms of costs, our 2026 catastrophe reinsurance premiums are estimated to be approximately \$180 million, compared to approximately \$200 million in 2025. The reduction reflects favorable market pricing, the strength of our portfolio, and lower Florida exposures.

Lastly, in Corporate and Other, first quarter adjusted EBITDA loss was \$32 million, which includes investments made in our Home Warranty business.

Turning to capital. Our liquidity position at quarter-end was \$836 million, providing flexibility to continue to invest in growth, return capital to shareholders, and support future opportunities that enable Assurant to drive innovation for our clients and customers.

This quarter, we returned \$169 million to our shareholders, including \$125 million of share repurchases and \$44 million in dividends. Our strong capital position allowed us the flexibility to accelerate our repurchase plans during the first quarter. Through May 1, we've repurchased an additional \$30 million. Over the

remainder of the year, we'll continue to evaluate capital deployment opportunities using a disciplined and balanced approach.

Let's move on to our outlook for 2026. We now expect full year adjusted EBITDA and earnings per share to grow low single digits, both excluding cats, overcoming \$94 million of lower favorable prior-year reserve development. This includes \$113 million in 2025 and \$19 million in the first quarter of 2026.

Excluding the impact of prior-year development, we expect high single-digit underlying growth in both adjusted EBITDA and earnings per share, excluding cats.

Global Lifestyle is expected to lead the growth for Assurant. We're increasing our outlook for Lifestyle and now expect growth of approximately 10%, reflecting our strong first quarter results.

Connected Living results for the year will benefit from continued optimization of new programs, expansion with existing clients, and contributions from recently announced new programs and capabilities, demonstrating the returns we've achieved through previous investments.

Global Auto is expected to grow from higher investment income, continued loss improvement, and growth of global partnerships.

Turning to Global Housing, our outlook has improved, and we now expect earnings to decline only modestly, excluding cats. Absent prior-year development, we continue to expect solid underlying growth for the full year. Consistent with our past approach, our 2026 outlook does not contemplate potential prior-year reserve development for the remainder of the year.

In lender-placed, we expect growth to be driven by higher track loans and in-force policy growth from expected new client wins and the continued hardening of the voluntary homeowners market.

From a placement rate perspective, we anticipate some quarterly fluctuations from client loan movements during the year.

From a capital perspective, our strong cash generation creates flexibility, enabling us to reinvest for growth, including M&A, and return excess capital to shareholders. For 2026, we now expect share repurchases of \$300 million to \$350 million, which is at the high end of our initial range from the beginning of the year and is subject to M&A and other market conditions.

Our first quarter results demonstrate the strength and consistency of Assurant's differentiated business model. We look forward to executing on our increased financial objectives, while delivering results for our clients and shareholders throughout the year. With that, operator, please open the call for questions.

## Question & Answer Section

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**Operator:** Thank you. The floor is now open for questions. [Operator Instructions] Our first question will come from Mark Hughes at Truist.

**Mark Hughes - Truist:** The Connected Living results are quite strong in the quarter. Can you talk about the kind of your longer-term view on that business, up 18% earnings, got a good slide on a lot of the new business wins and renewals. Are you thinking that that is a faster growth business, or are we just kind of hitting it at a good peak here where you're executing on the pipeline, but it may not be sustained at this level?

**Keith Demmings President & Chief Executive Officer:** Yeah, I mean, it's certainly a fantastic start to the year overall. And if you look back the last three years or so, we've grown our EBITDA and EPS overall double digits. And a fantastic way to start the year this year with significant performance, our best year - our best quarter, sorry, in history, and then Lifestyle obviously delivering outstanding results. So, I think when I look at it, I'd probably highlight three big drivers.

First is you've seen the scaling of our device protection subscriber counts. Over the last year, it's up at 4.3 million subs year-over-year. And that's a lot of hard work, a lot of innovation with partners. We've done incredible things with our cable partners. We've launched new clients like Total Wireless, which is contributing significantly. We've launched programs internationally with clients like Telstra. And then obviously with US Cellular and our relationship with T-Mobile, that's driving a lot of momentum across the board for our protection business. That's certainly the biggest driver of our overall outperformance in Connected Living.

But I'd also say we're maturing some of the non-mobile programs that we've announced the market as well, our relationship with Best Buy being one example, our relationship with Chase. These are two really important clients for us, and they're growing and contributing nicely. And then finally, you saw a lot of growth in devices serviced, not just from our trade-in programs maturing and driving organic growth, but also the investments we've made in reverse logistics. So, it does feel like we're in a great position. I feel great about how we look for the future.

**Mark Hughes - Truist:** I want to ask, I don't know if you think of it this way, but the market share that you have got, if you kind of put the main Verizon, AT&T programs to the side, I'm sure that's within your target area. But if you look at the size of the market, aside from those two big pieces of business, how much share do you think you have? How much more opportunity is there for further growth?

**Keith Demmings President & Chief Executive Officer:** Yeah, I still think there's a lot of white space in this market, particularly as we think about the globe. We're in obviously more than 20 countries around the world. Programs continue to mature. I think the product set continues to evolve. We've got a really deep value chain that we deliver across a wide range of services. So, I think there's a tremendous amount of upside. And we're innovating, we're winning with new entrants, and we're scaling in a way that's meaningful. So, I do feel really good about that. And then maybe, Keith, you want to add?

**Keith Meier, Chief Financial Officer:** And I think when you think about Connected Living overall on top of that, we have opportunities in the extended service contract side, and you saw that with Best Buy. And we also have our financial services business performing well with the addition of Chase and other marquee clients. So, I think when you look at Connected Living in terms of what the opportunities are in the future, I think there's a lot of white space and opportunities ahead.

**Mark Hughes - Truist:** Appreciate that. Thank you.

**Keith Demmings President & Chief Executive Officer:** You're welcome. Thanks, Mark.

**Operator:** Our next question comes from Tommy McJoynt with Keefe, Bruyette & Woods. Please unmute your line and ask your question

**Keith Demmings President & Chief Executive Officer:** Hey, Tommy. Morning.

**Keith Meier, Chief Financial Officer:** Good morning.

**Tommy McJoynt - KBW:** Hey, good morning, guys. Staying on this - the same topic here, you've had some really good success with those two largest carriers in the US being Verizon and AT&T. Can you start off just rehashing, reminding us all of the services that you're now providing for each of those carriers?

**Keith Demmings President & Chief Executive Officer:** Yeah. Happy to do it certainly at a high level. And you're right. I mean, we've been making progress really across the board in the US with every major operator. And if you think back to the acquisition that we made of HYL A back in 2020, a big part of that was they did a lot of great work with partners that we weren't necessarily doing as much with.

So, with Verizon, certainly the growth that we've seen on the prepaid side, we support their Visible brand, their Total brand, and now Straight Talk Wireless. And it's a fantastic relationship. We're innovating and launching new products, and we're super excited there. We provide a range of supply chain-related services as well.

And then with AT&T, we do a lot of work around the supply chain, historically a big trade-in partner for us. And to your point, long-term opportunity, it's all about building deep relationships, solving problems, building trust over time, and then looking to find creative ways to innovate.

**Tommy McJoynt - KBW:** Thanks for that. And your remarks there are sort of noting the fact that these large carriers often have different prepaid brands, something that I had admittedly overlooked. Does a similar dynamic exist on the postpaid side such that there could be an opportunity to win select postpaid segments for the big carriers, or are those more of an all or nothing nationally campaign?

**Keith Demmings President & Chief Executive Officer:** A Yeah. I think, I mean, you could think of it. There's certainly opportunities if you separate consumer from enterprise. So, you could have postpaid customers that are consumer-branded versus enterprise-branded small business, et cetera. But generally speaking, most of the postpaid is under a single brand, and it's managed by a single provider. Not to say you couldn't have variation to that over time, but that's typically how it works.

**Tommy McJoynt Analyst - KBW:** Thank you.

**Keith Demmings President & Chief Executive Officer:** You bet.

**Operator:** Our next question comes from Jeff Schmitt with William Blair. You may now unmute your audio and ask your question.

**Jeff Schmitt - William Blair:** Hi. Good morning.

**Keith Demmings President & Chief Executive Officer:** Hi, Jeff.

**Keith Meier, Chief Financial Officer:** Hey, Jeff.

**Jeff Schmitt - William Blair:** Hi. Could you talk about your growth strategy for the new Home Warranty business, just in terms of building that out beyond the Compass partnership and how you plan on doing that? And are you building out the contractor network as well there?

**Keith Demmings President & Chief Executive Officer:** Yeah. I mean, we absolutely are. I think first thing I'd say is we're super happy with the partnership we have with Compass. Obviously, we're still very early in terms of the ramp and the rollout, but there's complete alignment about the importance of delivering for customers, keeping the agents at the center of everything that we do, and then leveraging technology to integrate the offer naturally into the real estate process. So, I feel really good, volumes are ramping, the agents continue to get educated about our solution.

And I would say our message and our vision of what we're trying to do is definitely resonating in the market. In terms of other opportunity, yeah, I mean, right now, we're certainly having many conversations with potential long-term partners, whether that's with current affinity clients that we do business with today or whether it's looking at additional opportunities to serve the real estate sector. I feel good there's multiple ways for us to drive growth, and I think our solution is unique, and our story is resonating. So, I'm super happy about where we're headed. But maybe, Meier, you want to add.

**Keith Meier, Chief Financial Officer:** Yeah. And, Jeff, you mentioned the contractor network. When you think about that, we have clients like Best Buy and Lowe's where we do a tremendous amount of appliance and all the related services in the home. And then, we have other programs as well that round out several of the other Home Warranty services. So, we have actually a very robust network that I think positions us in even stronger and better ways than some of the traditional players, and we're able to leverage that.

**Keith Demmings President & Chief Executive Officer:** And remember, we've been working on this rollout for well over a year to bring this to market in terms of the product, the service network, and the full solution set. So, this is not something we started three months ago, even though that's what it feels like in terms of the announcement in the market.

**Jeff Schmitt - William Blair:** Right. Okay. And then, how much revenue is the new Best Buy legacy book adding in Global Lifestyle? And are - those products, do they typically have multiyear contracts? How should we think about that ramp? Is it over one year, over a couple of years? Thanks.

**Keith Meier, Chief Financial Officer:** Yeah, Jeff. And you should think about it as definitely they - there's a mix of shorter-term and longer-term contracts. So, they can range from a couple of years to five years, that kind of range. So, those earn over time. And we also did the assumption in the fourth quarter as well, so that will help some of those earnings coming through faster than they would have otherwise. But overall, you should see that evolving over the coming several years.

**Jeff Schmitt - William Blair:** Okay. Great. Thank you.

**Keith Meier, Chief Financial Officer:** You're welcome.

**Operator:** Our next question comes from Charlie Lederer with BMO Capital Markets. Please unmute your audio and ask your question.

**Charlie Lederer - BMO:** Hey. Good morning.

**Keith Demmings President & Chief Executive Officer:** Hey, Charlie.

**Keith Meier, Chief Financial Officer:** Hello, Charlie.

**Charlie Lederer - BMO:** Hi. On the new announcements in mobile, is there any sort of upfront spending you'd call out that we should think about as offsetting the strong growth in EBITDA in Lifestyle that you're experiencing? And more broadly, can you help dimension the impact and ramp we should expect on those programs?

**Keith Demmings President & Chief Executive Officer:** Sure. Certainly, US Cellular was a move of an in-force block, so that starts to contribute immediately. There's a little bit of investment up front to bring that to life, but that's behind us at this point. So, I would suggest that's immediately accretive as we think about the run rate going forward. The other three examples, I would say they'll be accretive to EBITDA in aggregate certainly this year. So, there's not a big investment spend I would call out. I think they'll contribute positively this year, and then they'll ramp more naturally over time. But it's certainly not a drag as we think about 2026.

**Charlie Lederer - BMO:** Thanks. And then, maybe just on Auto, you're clearly starting to get better results. Do you feel like you're out of the woods on loss costs there? Written premiums were down a little bit in the quarter, and I'd imagine you still feel fairly early days as far as being on risk on some of the policies that were underwritten in that inflationary 2022 timeframe. Can you give us a sense, I guess, on claims frequency of those vintages, too? Thanks.

**Keith Meier, Chief Financial Officer:** Yeah. I would say, last year, we talked about being a bit of an inflection year for us. And we've seen that roll into this year. Auto had a good quarter. We had favorable loss experience continuing, and that also is aided by our prior rate increases, the enhancements we've been making to the claims processes, the product designs that we've been working on with our clients. And I think, overall, it really speaks to the success that our Auto team has been having and working with our clients to arrive at mutually beneficial outcomes. So, overall, I think that we feel good about where that business is today.

**Charlie Lederer - BMO:** Thanks. And just lastly, did you guys update your cat outlook, I don't know if I missed that, for the full year?

**Keith Meier, Chief Financial Officer:** Yeah. So, our cat assumption for this year is \$185 million, up modestly from \$175 million last year, and that's mainly due to the growth of the business.

And I would say, in terms of our cat reinsurance, we are very pleased with the coverage that we secured this year. Our program costs are expected to be about \$180 million this year, down about \$20 million from the \$200 million from last year. And I think that really reflects the favorable market pricing that was out there, the strength of our performance of our portfolio. And then also, we have a little bit lower Florida exposures. So, overall, we've been pleased with how that's come together, and that kicks in or kicked in on April 1.

And from a comparative rate standpoint from last year, we were down north of 20%. And so, overall, the outcome I think was very positive. And we kind of stayed in that 1-in-5-year PML for the retention and at the top of the tower about 1-in-265-year. So, pretty consistent from the last year.

**Charlie Lederer - BMO:** Maybe just a quick follow-up on that. I mean, should we think about the seasonality of your cat load being a little different just given the geographic shifts that you're speaking to?

**Keith Meier, Chief Financial Officer:** Yeah. I think it's - as it has been historically, I think the latter half of the year, with the hurricane season, is typically the - where it would be weighted more so to that and obviously mostly in the third quarter-ish kind of timeframe.

**Charlie Lederer - BMO:** Thank you.

**Keith Meier, Chief Financial Officer:** You're welcome.

**Operator:** Our next question comes from Brian Meredith with UBS. Please unmute your line and ask your question.

**Brian Meredith - UBS:** Yeah. Great.

**Keith Demmings President & Chief Executive Officer:** Morning, Brian.

**Keith Meier, Chief Financial Officer:** Hi, Brian.

**Brian Meredith - UBS:** Good morning. Morning. So, a couple of them. First is on the Global Housing. Placement rates keep picking up here. And I'm assuming that's still a function of the tight homeowners market. I'm wondering if you can give us a little color on it. It seems like the homeowners market is starting to at least loosen up in some states, even outside of Florida. Do you expect that placement rate to kind of peak out here and maybe trend downwards here as the market kind of opens up a little bit here?

**Keith Demmings President & Chief Executive Officer:** Yeah. I mean, we've talked about, as we think about the year, we expect to add additional loans to the portfolio. We do think policy counts go up over the balance of the year. We'll see some fluctuation in placement rate. It hasn't really showed up yet in terms of the shifting away from the hard voluntary market. We're still seeing pretty strong growth in California and Texas. It's probably half the growth sequentially. The other half is other states, and Florida is relatively stable. So, I do feel like we haven't seen evidence of a major shift yet in terms of that trend line, but it's something we're certainly watching very closely. But we feel good about how we're positioned as we think about the full year within that business and the pipeline of opportunities that we've got that our teams are working on actively.

**Brian Meredith - UBS:** Got you. And my second question is, you've talked a fair amount about how AI is going to enhance, call it, customer experience and streamlining some processing functions, et cetera. I'm wondering, from a productivity perspective, how you're kind of approaching it. And is there any kind of KPIs or something we look at from maybe margin enhancement or something that could potentially happen here over the next couple of years from what you're doing with AI? I imagine there's a lot of opportunity in your business for productivity improvements.

**Keith Demmings President & Chief Executive Officer:** Yeah. Maybe I'll start, and Keith can certainly add in, and we'll think about over time if there are metrics that can make sense. I'd say there's no doubt we think we can improve the customer experience. So, set aside efficiency for a second, there are so many ways to remove friction to serve customers better which is great for business, great for our clients. That also comes with efficiency gains as well. I think there's phenomenal opportunities to upskill our talent, to protect our talent, and leverage them in new and different ways. I think we're leaning into more personalized services, as we think about matching various product designs for what customer needs look like. We're doing a lot of work around robotics and automation in our facilities. So, there's a tremendous amount of leverage. I think this is going to be a game changer for our company over time. And I think we're incredibly focused on high-value use cases that we can bring to scale. And I think focus is key, and I think we're on a really good track to deliver that. But what would you add, Keith?

**Keith Meier, Chief Financial Officer:** Yeah. I think, Brian, as you mentioned, what kind of metrics to look at, I'll give you a good example of that. If you look at Housing, our general expenses are, in the last year, up 2%. And our revenues, our net earned premiums, fees and other income is up double-digit, 11%. And so, you're seeing us, through our technology, getting that expense leverage. And I think those are continuing to be areas where our technology is certainly helping us from an efficiency and expense perspective, but it's actually also helping us differentiate against the competition and really be able to deliver the great customer experiences. So, I think we win on both fronts, and that's why we're really passionate about the technology and having global platforms that allow us to make these things happen.

**Brian Meredith - UBS:** Got it. Thank you.

**Keith Demmings President & Chief Executive Officer:** You're welcome

**Operator:** [Operator Instructions] Our last question comes from Mark Hughes with Truist Securities. Please unmute your line and ask your question.

**Keith Demmings President & Chief Executive Officer:** Hey, Mark.

**Mark Hughes - Truist:** I had to switch screens there. The fee income in Lifestyle was quite strong. You talked about good momentum in the reverse logistics program growth. I assume that's a contributor to that. I think the number of devices serviced was up quite strongly. Was that helped by any particular programs in the first quarter? Recognizing there's some seasonality there, but it seemed to be a lot of strength. I know there's timing on some of these programs that can influence that business. How should we think about the coming quarters there in that dimension?

**Keith Meier, Chief Financial Officer:** Yeah. I think you were thinking about it right, Mark, in terms of it being driven by our trade-in reverse logistics side of the business. Devices serviced have been growing significantly, and that's where that fee income has been growing as well. And then, you also highlighted there is some seasonality into that. So, we had a very strong quarter as it relates to the trade-in side. And then, we're looking forward to continuing the progress we have with our clients in providing these reverse logistics and other trade-in services as we go forward. So, we feel good overall about the momentum.

**Mark Hughes - Truist:** Yeah. Is that to say nothing particularly unusual about the first quarter, no special programs?

**Keith Meier, Chief Financial Officer:** None.

**Mark Hughes - Truist:** There's some variability there, but was there anything unusually robust about Q1?

**Keith Meier, Chief Financial Officer:** Yeah. I would say it's more of the seasonality. And then also, I think it was also contributions across multiple programs, Mark, and obviously some of the newer programs gearing up as well. But I think it was well-balanced with some seasonality.

**Keith Demmings President & Chief Executive Officer:** You're welcome. Thanks. All right. I think that was the last question. So, again, thanks for joining. We look forward to talking to everyone after the second quarter. And I know we'll see many of you at our mobile event in Nashville next week, so we look forward to that. And thanks again. Have a great day.

**Operator:** Thank you. This does conclude today's teleconference. Please disconnect your lines at this time, and have a wonderful day.