

Ambac Financial Group
SASB Content Index
2024

SASB METRIC	SASB CODE	RESPONSE
Total amount of monetary losses as a result of legal proceedings associated with marketing and communications of insurance product-related information to new returning customers	FN-IN-270a.1	2023 10-K In accordance with SEC requirements, Ambac Financial Group discloses all material legal proceedings in its Annual Reports on Form 10-K. In 2023, there were no losses attributed to insurance marketing or communications that we are aware of.
Description of approach to informing customers about products	FN-IN-270a.4	2023 10-K : Specialty Property and Casualty Insurance, pp. 5-9 We provide new products primarily through program administrators and managing general agents who communicate with existing and potential policyholders on our behalf, subject to our operational oversight and contractual frameworks. Given our business model for new business, we may have very little, if any, direct contact with policyholders.
Total invested assets by industry and asset class	FN-IN-410a.1	2023 10-K : Investments and Investment Policy, pp. 12-13 As of 12-31-2023 invested assets totaled \$2.7 billion. Of this total, \$452 million were short-term investments and the remainder long-term investments.
Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	FN-IN-410a.2	Guiding Principles Concerning Responsible Investing Our largest subsidiary, Ambac Assurance Corp, is in active run off and has not written new business since 2007. Our primary focus is on risk reduction, loss mitigation and asset recoveries with risk management playing a key role in our operations. As we look to expand our operations by exploring opportunities involving the acquisition and/or development of new businesses, risk versus reward remains at the forefront of our decision-making process, including Sustainability and Corporate Responsibility factors.
Written net premiums related to energy efficiency and low-carbon technology	FN-IN-410b.1	For 2023, this metric is not applicable. We will re-evaluate for the next reporting period.
Discussion of products and/or product features that incentivize health, safety and/or environmentally responsible actions and behaviors	FN-IN-410b.2	For 2023, this metric is not applicable. We will re-evaluate for the next reporting period.

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Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	FN-IN-450a.1	2023 10-K : Risk Factors, pp. 13-25 Ambac Financial Group has not reported on the probable maximum loss from weather-related natural catastrophes. As the company expands its new business initiatives, we will re-evaluate for the next reporting period. General business risks associated with weather-related natural catastrophes are outlined in the 2023 10K.
Total amount of monetary losses attributed 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)	FN-IN-450a.2	For 2023, this metric is not applicable as no monetary losses attributed to insurance payouts from modeled or non-modeled natural catastrophes occurred in the reporting period. We will re-evaluate for the next reporting period.
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	FN-IN-450a.3	2023 10-K : Risk Factors, pp. 13-25 General business risks associated with weather-related natural catastrophes are outlined in the 2023 10K.
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	FN-IN-550a.1	2023 10-K : p. 72 Ambac executes interest rate swaps and enters into US Treasury futures contracts to modify the effective duration of its investment portfolio. This is done to better align the interest rate sensitivity of its investment portfolio to that of its liability portfolio. Ambac does not employ derivative instruments for speculative purposes.
Total fair value of securities lending collateral assets	FN-IN-550a.2	Ambac did not have a securities lending program as of December 31, 2023
Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	FN-IN-550a.3	2023 10-K : Investments and Investment Policy, p. 12 In managing the financial resources of Ambac the objective is to achieve the highest risk-adjusted return on a diversified portfolio consistent with management's risk tolerance, while employing active asset/liability management practices to satisfy operating and strategic liquidity needs. Ambac and its subsidiaries do not engage in investment or other market activities that do not hedge risk or otherwise match underlying exposures.