



2022 ESG Report  
American International Group, Inc.





# Table of Contents

## Welcome

- 3 Executive Summary**
- 4 Impact at a Glance**
- 5 Our Business**
- 6 About this Report**
- 7 Cautionary Statement**

## Our Strategy

- 9 Our Approach**
- 10 ESG Considerations**
  - 10 Stakeholder Engagement
- 11 Memberships**
- 12 Supply Chain Responsibility**
  - 12 Supplier Diversity
  - 12 Sustainable Procurement

## Our Governance

- 14 ESG Governance Structure**
  - 14 Board Governance
  - 15 ESG Leadership
- 16 Corporate Governance**
  - 16 Board Composition and Diversity
  - 16 Director Independence
  - 16 Board Accountability to Shareholders
  - 16 Shareholder Engagement
- 17 Lobbying and Public Policy**
- 18 Business Ethics**
- 19 Cybersecurity and Data Privacy**

## Our Clients

- 21 Products with Impact**
  - 21 Decarbonization Solutions
  - 23 Other Sustainable Solutions
- 24 ESG Underwriting**

## Our Environment

- 26 Climate Strategy**
  - 26 What the Science Tells Us
  - 27 Path to Net Zero
- 28 GHG Footprint**
  - 28 Operational Emissions
  - 30 Value Chain Emissions
- 33 Climate-Related Disclosures**
  - 33 Types of Climate Risks
  - 37 Management of Climate-Related Risks
- 41 Biodiversity**

## Our Colleagues

- 43 Talent**
  - 43 Talent Attraction
  - 44 Talent Development
- 45 Diversity, Equity and Inclusion**
  - 47 Diverse Representation and Reporting
- 50 Human Rights**
- 51 Pay Equity**
- 53 Well-being**
- 55 Citizenship**
  - 56 Philanthropy
  - 56 Volunteerism
  - 57 Charitable Partnerships

## Appendices

- 59 SASB Indices**
- 62 TCFD Index**
- 63 GRI Index**
- 66 UNGC Index**



# Executive Summary

We are proud to publish AIG's 2022 Environmental, Social and Governance (ESG) Report, which summarizes our commitment to corporate responsibility and related efforts.

Our commitment to corporate responsibility underscores every aspect of AIG's operations: how we serve our clients and distribution partners, how we contribute to our communities, how we develop and support our colleagues, how we engage with regulators and policymakers and how we create value for our shareholders. The core objective of this Report is to transparently demonstrate the progress we are making across a number of important topics, including Our Strategy, Our Governance, Our Clients, Our Environment and Our Colleagues.

## **Our Strategy: Aligning to our Purpose and Values**

As a Purpose- and Values-driven company, our approach to ESG issues is designed to support our business strategy to drive long-term profitable growth and value creation. Built on

a foundation of consistency, transparency and alignment around shared goals, our Purpose and Values remain our North Star as we continue our journey to be a top performing company delivering excellence in all that we do.

## **Our Governance: Upholding high standards of oversight, accountability, integrity and ethics**

AIG embeds governance considerations into our operations and controls at all levels of the organization. Best governance practices start with AIG's Board of Directors. This is evidenced by the quality of our Board, which includes directors with diverse skills and experiences. Since March 2021, we have focused on significant board refreshment, resulting in a board that is 70% diverse, including having achieved gender parity, as of May 2023.

## **Our Clients: Providing solutions that strengthen resilience**

Leveraging our risk expertise, we evaluate and model evolving risks to support our clients and help them discover new potential. We strive to be a market leader in the support of renewable

energy projects, and we have a broad range of products that support a low-carbon economy, including multi-line coverage across the hydrogen value chain and Upgrade to Green® endorsements. In addition, our cyber insurance offering is an excellent example of how our underwriting practices help clients manage risk and mitigate or avoid losses by strengthening their controls.

## **Our Environment: Supporting a sustainable and insurable future**

At AIG, we take great pride in our expertise as risk managers and have a full appreciation for the role the insurance industry plays in the global economy—especially as it relates to climate events. For example, in 2022, Hurricane Ian was one of the highest-profile climate disasters and left devastating physical damage with total insurable losses exceeding \$60 billion. In the aftermath of Hurricane Ian, AIG was well positioned to provide support and infrastructure to help individuals, businesses and communities recover and rebuild.

Additionally, we have made significant progress on our commitment to reach net zero greenhouse gas (GHG) emissions across our underwriting and investment portfolios and our operations by 2050 or sooner. From 2019 to 2022, process improvements and our transformational AIG 200 programs drove a 27% decrease in scope 1 and 2 GHG emissions.

## **Our Colleagues: Building an inclusive, community-minded workforce of the future**

Retaining, attracting and developing highly skilled diverse talent helps us better serve our stakeholders. Across AIG, we champion efforts to create collaborative, inclusive teams equipped with the skills necessary to execute with excellence. We are very proud that, for the last six years, DiversityInc named AIG one of the Top 50 Companies for Diversity.

We look forward to making more progress with our efforts in the years ahead.



# Impact at a Glance

## Our Governance

**AIG's Board of Directors is 70% diverse with gender parity achieved<sup>1</sup>**

**Engaged with shareholders** holding ~50% of shares outstanding in 2022

**"First Tier" designation** in annual **CPA-Zicklin Index** for political disclosure and accountability policies and practices for election-related spending

## Our Environment

**27% reduction** in operational GHG emissions (scope 1 and scope 2 emissions) from 2019 (baseline) to 2022<sup>2</sup>

**Announced commitment to reach net zero GHG emissions** across operations, underwriting and investment portfolios by 2050 or sooner

**Announced commitment to source 100% renewable energy** for AIG's operations<sup>3</sup> by 2030 or sooner

## Our Colleagues

### Talent Retention and Attraction

**+4,000 positions filled globally**, a 30% increase from 2021

**36% of openings** were filled with internal talent

**+87,000 virtual courses** and **560,000 LinkedIn Learning videos** voluntarily completed by colleagues

### Diversity

**Included on DiversityInc's Top 50 Companies for Diversity**

Awarded **more than \$130 million of business** to certified diverse suppliers and organizations

### Gender Representation

**29% of Executive and Senior Management** are female, an increase of 1.6 percentage points from 2021

**39% of Middle Management** are female, an increase of 0.4 percentage points from 2021

Increased **AIG Women's Open** prize fund by **~\$4 million or 125%** since we began our partnership with The R&A in 2019

### Ethnic Representation

**30.8% of our U.S. workforce** is ethnically diverse, an increase of 0.6 percentage points from 2021

**40% of new hires** in 2022 were ethnically diverse

**21% of Executive & Senior Management** are ethnically diverse

**33% of Middle Management** are ethnically diverse

### Citizenship<sup>2</sup>

**53,000+ volunteer hours** by 5,100 colleagues globally

**Over \$22.5 million** in charitable contributions, matching grants and monetized in-kind contributions of volunteer time

**Over 5,000+ hours** of free legal support to nonprofit organizations and individuals through the AIG Pro Bono Program

Earned a place on **The Civic 50 for the first time**

1. As of May 2023.

2. Includes Corebridge.

3. The 100% renewable energy commitment applies to scope 2 emissions from electricity usage for facilities controlled or owned by AIG.



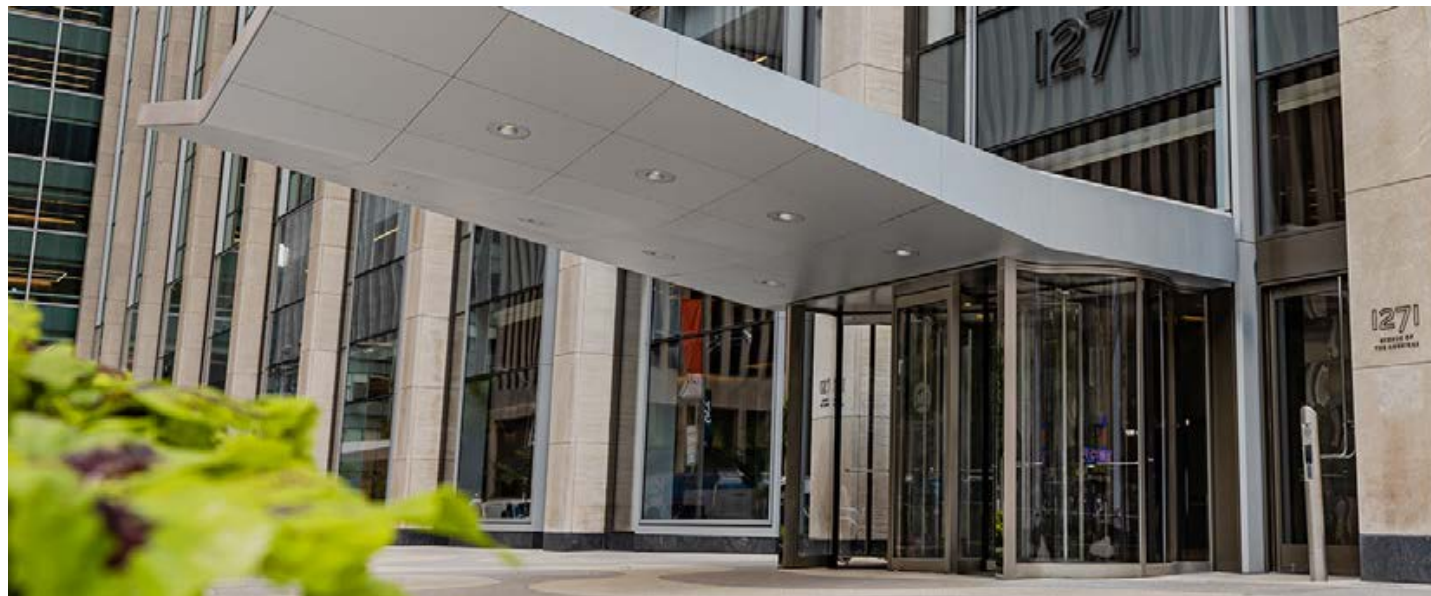
## Our Business

AIG is a leading global insurance organization. We offer insurance solutions that help businesses and individuals in approximately 70 countries and jurisdictions to protect their assets and manage risks. AIG common stock is listed on the New York Stock Exchange.

What unites us across these offerings is our commitment to helping individuals, businesses and communities prepare for and respond to times of uncertainty. From tackling climate change to creating more inclusive workplaces, we are proud to be part of the solution by making positive change in the communities that we serve in ways that bring value to our stakeholders.

### Our operating structure is composed of three segments:

**General Insurance** is a leading provider of commercial and personal insurance, including Property, Liability, Financial Lines, Specialty, Accident & Health and Personal Lines. It



includes one of the world's most far-reaching property casualty networks offering a broad range of products to customers through a diversified, multichannel distribution network.

**Life and Retirement** is a unique franchise that brings together a broad portfolio of life insurance, retirement and institutional

products offered through an extensive, multichannel distribution network. It holds long-standing, leading market positions in many of the markets it serves in the U.S. (See [About this Report](#) section and our [2022 Form 10-K](#) for more information on the separation of our Life and Retirement business.)

**Other Operations** is primarily comprised of corporate, our institutional investment management activities and consolidation and eliminations.



# About this Report

This Report covers American International Group, Inc. and its consolidated subsidiaries, except for Corebridge Financial, Inc. and its consolidated subsidiaries (“Corebridge”),<sup>4</sup> (hereinafter referred to as “AIG,” the “Company,” “we,” “us,” “our”) for fiscal year 2022 (January 1 – December 31, 2022) unless otherwise noted in the Report. This Report also provides select data from prior years in order to facilitate year-over-year analysis. As appropriate, preliminary information, including information from developments occurring in early 2023, may also be referenced in this Report and may be subject to change in future reports based on more complete data.

The methodologies, assumptions and estimates underlying our climate-related and other sustainability-related strategy, analysis and data (including GHG emissions and climate scenario analyses) continue to develop and are likely to continue to change in future periods, including as a result of regulatory or other developments. In addition, certain information in this Report incorporates or otherwise relies upon data from

third parties, which may be prepared in ways that are not consistent with our methodologies or practices.

As a result of these factors, the information we present in this Report could differ from what has been included in prior disclosures, and information in future disclosures may differ from what is contained in this Report. Except as required by law, we undertake no obligation to update any statement in this Report or future disclosures.

Our approach to the disclosures included in this Report differs from our approach to the disclosures we include in other reports, including our filings with the U.S. Securities and Exchange Commission (“SEC”). While certain matters discussed in this Report may be significant, neither any significance attributed to them nor their inclusion in this Report should be read to mean that they necessarily rise to the level of materiality used for the purposes of complying with applicable securities laws and regulations, even if we use the word “material”

or “materiality” in this Report. This Report is intended to provide information from a different perspective and in some cases in more detail than is required to be included in other reports, including our filings with the SEC.

Information about AIG’s operations and financial statements is available in our [2022 Annual Report](#) and [Form 10-K](#). For a high-level overview of AIG’s sustainability efforts, visit <https://www.aig.com/about-us/sustainability>. Send questions, comments or feedback to [sustainability@aig.com](mailto:sustainability@aig.com).

## Reporting Frameworks

To guide the content of this Report, we consider external frameworks such as the Sustainability Accounting Standards Board Standards (SASB), the Task Force on Climate-related Financial Disclosures (TCFD) framework, the Global Reporting Initiative (GRI) standards, the ten principles of the United Nations Global Compact (UNGC) and the United Nations Sustainable Development Goals (UN SDGs). Our disclosures to align, as appropriate, with the SASB, TCFD, GRI and UNGC indices are provided in Appendix A, B, C and D, respectively. Our efforts to support the UN SDGs are indicated throughout the Report with the corresponding UN SDG icon.



## Cautionary Statement Regarding Forward-Looking Information

Certain statements in this Report may constitute “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements are intended to provide management’s current expectations or plans for AIG’s future operating and financial performance, based on assumptions currently believed to be valid and accurate. Forward-looking statements are often preceded by, followed by or include words such as “will,” “believe,” “anticipate,” “expect,” “expectations,” “intend,” “plan,” “strategy,” “prospects,” “project,” “anticipate,” “should,” “see,” “guidance,” “outlook,” “confident,” “focused on achieving,” “view,” “target,”

“goal,” “estimate” and other words of similar meaning suggesting future outcomes. These statements may include, among other things, projections, goals, targets and assumptions that relate to future actions, prospective services or products, statements with respect to current and future potential implications of corporate social responsibility and sustainability topics, future performance or results of current and anticipated services or products, sales efforts, expense reduction efforts, the outcome of contingencies such as legal proceedings, anticipated organizational, business or regulatory changes, such as the separation of the Life and Retirement business from AIG, the effect of catastrophic

events, both natural and man-made, and macroeconomic and/or geopolitical events, anticipated dispositions, monetization and/or acquisitions of businesses or assets, or the successful integration of acquired businesses, management succession and retention plans, exposure to risk, trends in operations and financial results, and other statements that are not historical facts. Forward-looking statements speak only as of the date of this Report, or in the case of any document incorporated by reference, the date of that document. We are not under any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except

as required by applicable law. Factors that may cause actual results to differ materially from those expressed or implied in any forward-looking statements include those disclosed from time to time in our filings with the SEC.



# Our Strategy

Our strategy with respect to ESG is to assess and address risks and opportunities and find solutions that benefit our Company and deliver value to our stakeholders.







# Our Approach

Our approach to ESG issues is designed to support our business strategy to drive long-term profitable growth and value creation. Importantly, we approach our ESG initiatives with a strong focus on robust governance, risk discipline, rigorous processes and effective controls.

Driven by our Purpose, we aim to take a holistic approach to deliver on our ESG commitments. We continue to develop company-wide frameworks for integrating ESG in our underwriting and investment practices, as well as our operations. We engage with clients, distribution partners and other stakeholders to understand their goals and how we can best support them.

The term ESG has taken on different meanings in different circles; however, for us it is very clear. It means instituting sound governance, advancing the workforce of the future and helping clients manage an ever-increasing and interrelated set of risks. From tackling climate change to creating more inclusive workforces, we strive to make positive change in the communities that we serve.

We recognize that we can't solve these complex challenges alone. We are committed to continued engagement with stakeholders, including clients, distribution partners, investors, regulators, policymakers, suppliers, colleagues and others on our journey to become a top performing company delivering excellence in all that we do.

## Purpose and Values

We introduced our new Purpose and Values in 2022 to guide our actions as a company and as individuals. With input from colleagues worldwide, these principles represent who AIG is, what we stand for, and how we can better serve our many stakeholders.

Figure 1. AIG's Purpose and Values

Our purpose is to discover new potential by reimagining what AIG can do for you.





# ESG Considerations







In 2020, we conducted a materiality assessment, which identified and prioritized ESG topics based on input solicited from key internal and external stakeholders to help inform our ESG strategy and reporting.

Every year we revisit the relative importance of these topics against stakeholder feedback. In addition, by assessing emerging topics and trends and current and emerging regulatory requirements, we evaluate how these may align with our strategic priorities and potentially contribute to our long-term, sustainable value creation. **Table 1** outlines the key stakeholders we engage and our engagement methods and summarizes the most relevant ESG topics.

## Stakeholder Engagement

Our position as a market-leading global insurer means that we have a diverse set of stakeholders whose individual goals and challenges can manifest in divergent points of view. We are therefore committed to regular engagement—listening to and learning from our stakeholders so that we can understand their perspectives and incorporate their feedback on important ESG topics as appropriate.

**Table 1. Stakeholder Groups and Relevant ESG Topics**

| STAKEHOLDERS | <br>Investors  | <br>Clients and Distribution Partners | <br>Colleagues   | <br>Regulators and Other Officials  | <br>Non-governmental Organizations (NGOs) and Communities   | <br>Suppliers |
|--------------|---|---|---|--|--|--|
| ENGAGEMENT   | Active, year-round communication through: <ul style="list-style-type: none"> <li>• Quarterly financial results reporting</li> <li>• Annual Meeting of Shareholders</li> <li>• One-on-one calls and meetings</li> <li>• Benchmarking and review of ratings and rankings</li> <li>• Conferences</li> </ul>  | Frequent dialogue and communication of data-driven research, innovative solutions, learning and other insights          | Regular communication through: <ul style="list-style-type: none"> <li>• Email</li> <li>• Videos and intranet content</li> <li>• Town halls</li> <li>• Employee working groups</li> <li>• Employee Resource Groups (ERGs)</li> <li>• Events and programming</li> </ul> | <ul style="list-style-type: none"> <li>• Ongoing dialogue with global regulators</li> <li>• Participation in regulatory-driven requests</li> <li>• Communication on ESG reporting and regulatory requirements</li> </ul> | <ul style="list-style-type: none"> <li>• Charitable partnerships and memberships (see <a href="#">Memberships</a> section)</li> <li>• Corporate volunteering and matching grants program</li> <li>• Corporate philanthropy</li> <li>• Pro Bono work</li> </ul> | Regular engagement to support the efficient execution of AIG's strategy                          |
| ESG TOPICS   | Governance • Risk Management • Climate-related Risks and Opportunities • Product and Solutions Innovation • Human Rights Pay Equity • Diversity, Equity and Inclusion • Workplace Health, Safety and Wellness • ESG Reporting • Business Ethics Corporate Citizenship • Cybersecurity • Data Privacy • ESG in Underwriting • Lobbying and Public Policy GHG Emissions • Sustainable Investing • Responsible Supply Chains • Talent Strategy |   |   |  |  |  |

We leverage sustainability reporting standards (TCFD, SASB, UNGC Principles and GRI) to inform how we disclose on these topics (see the [Indices in our Appendix](#) section) and group the topics across the sections of this Report.



# Memberships



To develop and implement ESG objectives designed to be accretive to sustainable long-term business objectives, we collaborate with various industry peers, academic institutions, NGOs, international organizations and other groups. This work contributes to multiple beneficial sustainability initiatives as well as giving AIG a voice in the insurance industry's efforts pertaining to ESG and broader resiliency efforts.

## Significant relationships include:

**Insurance Development Forum**, a public-private partnership that aims to optimize and expand access to insurance products to support vulnerable populations and economies.

**The United Nations Global Compact**, a commitment to align with the UN Global Compact's ten principles and advance the UN Sustainable Development Goals.

**The Geneva Association**, an international association of insurance companies that carries out research on key risk trends. Our Chairman & CEO, Peter Zaffino, was elected to the Board of Directors in June 2022 and currently serves on the Board.

**Global Trade Series**, a collaboration launched in 2019 between AIG and an international coalition of leading centers of excellence focused on trade matters.

**Task Force on Climate-related Financial Disclosures**, created by the Financial Stability Board to develop recommendations on the types of information that companies should disclose to help stakeholders assess risks related to climate change.

**The Institute of International Finance**, a global association that represents and supports the financial industry in fostering global financial stability and sustainable economic growth, including opportunities to support the transition to a low-carbon economy.

**The Council for Inclusive Capitalism**, a public forum for businesses to share learnings and strategies that others can adopt to promote a more inclusive, sustainable and trusted economic system. AIG became a member in 2021.

**Business Roundtable**, an association of chief executive officers of America's leading companies working to promote a thriving U.S. economy and expand opportunities for all Americans through sound public policy.

**The Sustainable Markets Initiative Insurance Task Force**, one of 16 task forces assembled by the former Prince of Wales to enable the private sector to accelerate the transition to a more sustainable future.

AIG is also an active stakeholder in climate-, sustainability- and governance-focused discussions taking place within the insurance regulatory community at the **National Association of Insurance Commissioners**, the **International Association of Insurance Supervisors** and the **Sustainable Insurance Forum**.



## Bridge for Cities

Since 2019, in collaboration with WSP (previously Wood), an engineering consulting firm, and the University of Strathclyde, we have served as a co-convenor of business roundtable discussions at the [Bridge for Cities](#) annual flagship event of the United Nations Industrial Development Organization (UNIDO). This event brings together mayors and urban planners from around the world to discuss innovative ways of developing sustainable and climate-resilient future cities.

At the [2022 virtual event hosted on October 31, in Vienna, Austria](#), over 400 participants attended from 85 countries. Through a series of keynote speeches and panels, attendees participated in discussions that highlighted the importance of public-private partnerships in driving forward inclusive and sustainable urban and industrial development at the city level.



# Supply Chain Responsibility



We have built strategic partnerships with suppliers across many categories of goods and services, including professional services, software, real estate and business services, marketing and telecom and network services.

Our supplier base is geographically diverse and spans multiple regions, including North America, Asia Pacific (APAC), and Europe and Middle East (EMEA).

We are committed to making a positive difference in the communities where we work, live and serve our customers and we expect the same of our suppliers.

Our suppliers are expected to follow the principles outlined in our [Supplier Code of Conduct](#)<sup>5</sup> and to apply these or similar principles to the suppliers with whom they work in providing goods and services to AIG.

We aim to foster an inclusive supply chain by partnering with diverse organizations in our procurement efforts in addition to supporting diverse, minority-owned banking enterprises.

We have long-standing relationships with minority, women and veteran investment banking enterprises and actively engage with them in a variety of capital markets transactions, including the Corebridge Financial, Inc. IPO in September 2022.

## Supplier Diversity

Our Supplier Diversity program is one way that we demonstrate our allyship by partnering with leading diverse advocacy organizations and councils, participating in corporate responsibility efforts and engaging diverse suppliers in our procurement efforts. We continue to focus on growing and developing this program and believe supporting diverse businesses helps foster

economic dynamism, thus making a positive difference in the communities and markets where we do business. Diverse-owned businesses are defined as U.S.-based, for-profit enterprises that are at least 51% owned, operated and controlled by one or more of the following groups: Minority, Women, Disabled, LGBTQ+ (Lesbian, Gay, Bisexual, Transgender, Queer) or Military Veterans.

In order to qualify as a diverse supplier, AIG requires that all diverse-owned businesses provide certification of their diverse-ownership status through a third-party agency. You can find the certifications that AIG recognizes on our [Supplier Diversity](#) website.

Through procurement policies, processes and tools informed by our Supplier Diversity program, we actively seek and create economic opportunities for underrepresented small and diverse-owned businesses. We believe this approach provides us access to the widest possible selection of suppliers, innovative solutions and alternatives that support our journey to build a best-in-class Supplier

Diversity program. As a result of this program, AIG awarded more than \$130 million<sup>6</sup> of business directly to certified diverse suppliers and organizations in 2022.

## Sustainable Procurement

As outlined in our [Supplier Code of Conduct](#), AIG expects our suppliers to manage their social risks ethically and responsibly and to take action, to the extent reasonably practicable, to reduce waste, emissions and energy use associated with their operations. A supplier's violations of the Supplier Code of Conduct may affect its standing with AIG and may lead to disqualification from future business opportunities.

In 2022, 24%<sup>6</sup> of our sourceable<sup>7</sup> spend was with companies listed on [Just Capital's "Top 10 Companies for Environmental Performance"](#) list. These companies have set net zero targets, and nearly all have a verified 1.5-degree Science-Based Target.

5. Corebridge suppliers are covered by AIG's Supplier Code of Conduct.

6. Includes Corebridge.

7. Includes spend managed by AIG's Global Sourcing and Procurement Services (GS&PS) department. Does not include spend such as taxes and regulatory expenses, workforce expenses, insurance, tax and licenses fees, reinsurance and leases.



# Our Governance

We are committed to effective corporate governance practices that are designed to maintain high standards of oversight, accountability and transparency while promoting the long-term interests of our stakeholders. Our robust governance practices underpin our strategic progress toward supporting a more sustainable future.



# ESG Governance Structure<sup>8</sup>



## Board Governance

It is important that all parts of our Company feel invested in and accountable for AIG's sustainability agenda, starting with our Board of Directors.

|  |  |
|--|--|
| <p><b>Board of Directors</b></p>                                     | <p>The Board of Directors, through the NCGC and CMRC, oversees AIG's ESG strategy.</p>   |
| <p><b>Nominating and Corporate Governance Committee (NCGC)</b></p>   | <p>Oversees and reports to the Board of Directors as necessary on topics related to sustainability and governance matters generally.</p> |
| <p><b>Compensation and Management Resources Committee (CMRC)</b></p> | <p>Oversees executive compensation, human capital and diversity, equity and inclusion (DEI) matters.</p>                                 |
| <p><b>Risk Committee</b></p>   | <p>AIG's Chief Risk Officer periodically reports to the Board and committees of the Board regarding emerging risks.</p>                  |

### Dedication to Transparency

We strive to maintain a high level of transparency. **Transparency builds trust and holds us accountable — highlighting our progress and areas that we aim to improve.**

By publishing our third Report, we are reinforcing our commitment to provide a holistic view of our ESG efforts across our global business.

We believe a transparent journey is required to reach our ESG goals. We still have work to do, but we are proud of our steady progress. By leveraging our expertise and differentiators, we aim to improve and sustain communities for generations to come.

### Enterprise Risk Management (ERM)

Our ERM function coordinates the risk management activities across the enterprise and provides senior management and AIG's Board with a consolidated view of AIG's key risks. ERM supports our climate-related risk management and wider ESG activities by identifying current and emerging risks, monitoring external business and regulatory developments, designing stress scenarios and monitoring the potential for risk aggregation and risk accumulation across underwriting, investments and our own operations.



## ESG Leadership

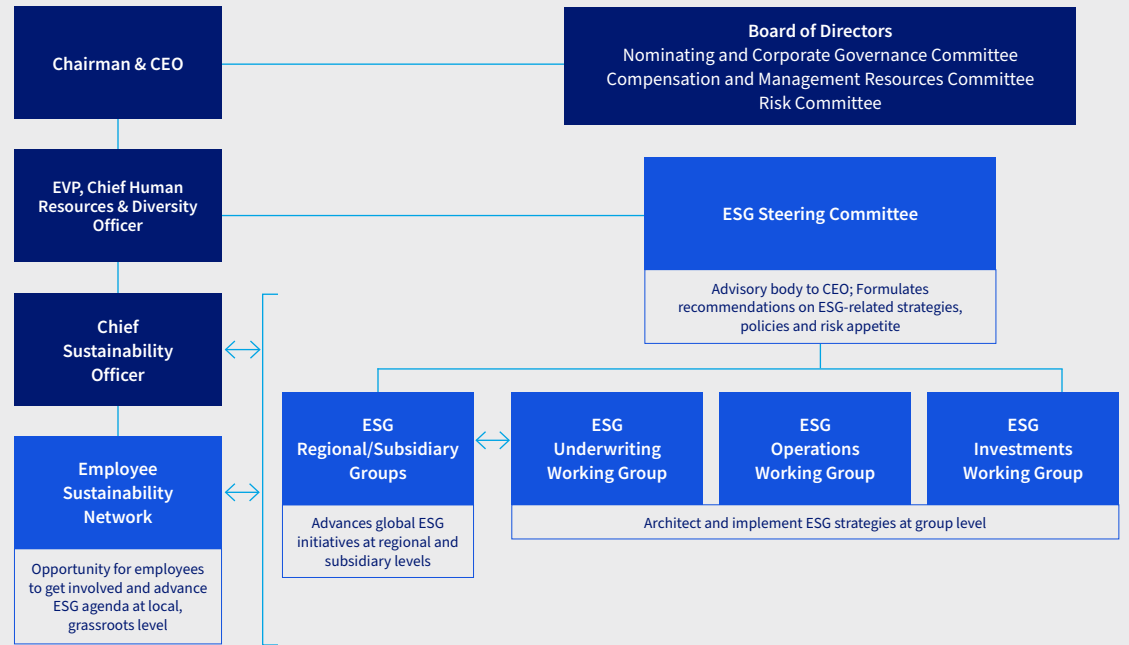
AIG’s Executive Vice President, Chief Human Resources & Diversity Officer and Chief Sustainability Officer are responsible for leading the development and implementation of AIG’s company-wide sustainability strategy.

As ESG risks and opportunities continue to evolve, so has our governance model.

### ESG Working Groups

To drive integration and advancement of sustainability initiatives across the Company, cross-functional teams and working groups have been established across business lines and geographies. The Chief Sustainability Office is responsible for driving cooperation and alignment among these groups, with an ultimate goal of operationalizing the work and developing a consistent approach.

Figure 2. AIG’s ESG Governance Structure





# Corporate Governance



Our corporate governance structure is designed to maintain high standards of oversight, accountability and transparency while promoting the long-term interests of our shareholders. Our Board continually reviews and considers our governance practices to enhance their effectiveness.

## Board Composition and Diversity



We seek to have a Board that possesses the diverse skills, experience and attributes necessary to provide guidance on AIG's strategy and to oversee management's approach to addressing the challenges and risks facing AIG.

Since March 2021, we have undertaken significant Board refreshment. We believe our directors' diverse and complementary skills, experience and attributes have led to a highly qualified Board that provides

independent oversight. On page 7 of our [2023 Proxy Statement](#) we summarize the key skills, experience and areas of expertise, including ESG/sustainability and diversity, represented on our Board.

The NCGC reviews the composition of our Board, taking into consideration the attributes of the existing directors, both individually and as a group.

## Director Independence

All directors are independent, except for our Chairman & CEO, Peter Zaffino.

All standing committees are comprised entirely of independent directors.

Independent directors meet regularly without management in conjunction with regularly scheduled Board and committee meetings.

We seek to further promote independent oversight by having a robust Lead Independent Director role with explicit responsibilities.

70% of the Board of Directors is diverse — of the ten directors, five are women, two are racially diverse, and one identifies as LGBTQ+.<sup>9</sup>

## Board Accountability to Shareholders

AIG's corporate governance practices are designed to reinforce the Board's alignment with, and accountability to, shareholders. For more information on our corporate governance practices, criteria for Board membership, Board accountability and commitment to shareholder rights, as well as information on the ownership of AIG common stock by our directors and officers and holders who own more than 5%, refer to pages 6, 15–17 and 27–28 of our [2023 Proxy Statement](#).

## Shareholder Engagement

In 2022, we engaged with shareholders holding approximately 50% of our shares outstanding to understand their perspectives and solicit feedback on a variety of topics, including the Company's performance, leadership, strategy and initiatives, executive compensation, corporate governance, sustainability and human capital management. This feedback informs how and what information we disclose to the public so that we can more effectively address shareholder priorities and inquiries.

We regularly share such feedback with the Board, which in turn informs the Board's discussions on a variety of topics. We remain committed to ongoing engagement with shareholders and other stakeholders.





# Lobbying and Public Policy



We regularly communicate with government and regulatory officials regarding the issues that impact our Company to better understand and safeguard the interests of our business and stakeholders.

The vast majority of our outreach to government and regulatory officials at the state, federal and international levels remains focused on traditional areas of activity within the insurance industry such as insurance product design, market conduct and governance-related matters. In recent years, however, regulators in the United States and in other major countries in which we operate have increased their scrutiny of financial institutions' and other companies' risk oversight, disclosures and practices in connection with climate change and other ESG issues.

Throughout 2022, there were active and significant regulatory developments on these issues in the form of newly proposed, issued or implemented rules, regulations and frameworks regarding climate change and other ESG issues that impose, or will impose, once effective, new requirements, including requirements related

to climate change-related governance, risk management, disclosures, stress testing and scenario planning. For more information on these new and proposed requirements, see page 12 of our [2022 Form 10-K](#). The new requirements, as well as proposed requirements (if and when adopted), could result in additional compliance and reporting costs. It is possible that some ESG rules enacted in international jurisdictions where AIG operates could impact AIG. Moreover, ESG-related rules and guidance may conflict with one another and impose additional costs on us or expose us to new or additional risks.

We continue to actively monitor the regulatory landscape surrounding these issues. Outreach to policymakers and regulators is typically focused on gaining a better understanding of the scope of regulations and other initiatives or in response to requests to dialogue on our progress and internal initiatives. We take appropriate measures to conduct our engagement in compliance with local regulations, disclosure requirements and reporting requirements.

## External Organizations

We belong to various external organizations and associations ("Associations"), such as trade groups and think tanks that advocate for or comment on public policies affecting AIG and the insurance sector.

During 2022, we continued to monitor for potential areas of misalignment between our climate policies and values and the policies of the Associations to which we belong. AIG's participation in—and our ability to influence the various initiatives and associated messaging that occurs within—these Associations is limited.

To read more about our review and the disclosure of our Association memberships, refer to our Lobbying Report, which is available on our [website](#).

You can also find more information on lobbying disclosure and political donations practices on our [Political Activities and Contributions website](#).

In 2022, AIG received a "First Tier" designation for our political disclosure and accountability policies and practices for election-related spending in the annual CPA-Zicklin Index published by The Center for Political Accountability and Zicklin Center for Business Ethics Research at the Wharton School of the University of Pennsylvania. This designation was given to leading U.S. public companies that received a score of 80% or higher on the Index, and AIG received a score of 88.6%.



## Business Ethics



Operating with ethics and integrity is at the heart of what we do at AIG. Our [Code of Conduct](#) is intended to guide our employees' behavior and adherence to a strong set of principles that are consistent with our [Purpose and Values](#).

Annually, we provide training for all employees on a range of compliance and ethics topics. These topics include the Code of Conduct and other key compliance risk areas like conflicts of interest, anti-corruption, anti-money laundering and economic sanctions. Employees must also certify that they have reviewed and will comply with the principles of the Code of Conduct.

Our Risk Awareness Program is designed to encourage open dialogue about compliance and ethics issues by asking employees to uphold an ethical and compliant work environment, including through our *Raise Your Hand* campaign. This campaign is reinforced throughout the year through various channels, including senior leader communications, the Company's intranet site and risk awareness campaigns addressing topics like fraud and cybersecurity.

We encourage employees to raise compliance and ethics questions and concerns with management, Human Resources, Employee Relations, AIG's designated compliance officers and the AIG Compliance Help Line. AIG prohibits retaliation against any employee for making a good faith report of actual or suspected violations of the Code of Conduct, other AIG policies or applicable laws and regulations. Violation of the Code of Conduct may result in corrective action, including termination.





# Cybersecurity and Data Privacy

## Managing Our Cyber and Privacy Risk

AIG's cross-functional cybersecurity and privacy teams work to process and safeguard company and client data. Our Information Security Office prepares for and responds to cybersecurity threats by implementing a strategy that is designed to protect and preserve the confidentiality, integrity and availability of all information owned by, or in the care of, AIG.

We take measures designed to ensure compliance with applicable legal requirements, including the completion of privacy impact assessments for higher-risk processing, timely and accurate reporting of any required cybersecurity or privacy incident, and conducting global cyber-incident response exercises to maintain our preparedness.

AIG continues to advance our cyber intelligence and analytic capabilities by proactively searching for and identifying evidence of malicious attacks while testing our cybersecurity defenses. These efforts include comprehensive risk assessments and external security audits.

Our cybersecurity initiatives apply company-wide, as we require all AIG colleagues to complete mandatory cybersecurity awareness and information handling and privacy training annually. Non-employee workers with access to AIG systems must also complete compliance training. We regularly test our personnel using various techniques to validate the efficacy of our cybersecurity training.

AIG has several channels that provide information about our privacy practices and the individual rights of our customers. Privacy notices are provided to customers pursuant to various country and state laws, and our online privacy statements explain how we generally collect, use, share and safeguard personal information.

## Sharing Expertise and Experiences to Protect Against Cyber Threats

AIG is a member of several information sharing organizations, including the Financial Services Information Sharing and Analysis Center, the Joint Cyber Defense Collaborative and the National Cyber-Forensics and Training Alliance. Through these organizations, we partner with other organizations and law enforcement to share and receive information about the latest cyber threats.

## Cybersecurity and Privacy Risk Oversight

AIG's Board provides oversight of cybersecurity and privacy risks facing the Company and is briefed by management, including the Chief Information Security Officer, the Chief Technology Officer and the Chief Risk Officer, on the key risks related to cybersecurity matters. Cybersecurity risks subject to the Board's review include threats, events, incidents, the impact on our technological operations and infrastructure and the resilience of our systems. The Board is informed of the Company's policies

and procedures for assessments and testing, monitoring, reporting and managing cyber threats and incidents, as well as the capabilities and talent management of personnel in these functions, along with ongoing efforts to improve the cybersecurity infrastructure.





# Our Clients

As a market leader, we leverage our expertise and intellectual capital to provide clients with insights that help them understand their exposures, advice on how to create safer, more resilient environments and products that are aligned with the evolving risk landscape and underscored by our underwriting excellence.





# Products with Impact



Our global knowledge and presence and end-to-end support helps our clients better manage their risks so they can reach their goals with confidence. By leveraging our deep expertise and insights, we are driving innovative insurance solutions that seek to unlock value for our clients and help them navigate the changing risk landscape.

## Decarbonization Solutions

As we transition to a low-carbon economy, we are providing insurance solutions that support the decarbonization of assets and activities and enable net zero business models, technologies and lifestyles. Our solutions range from scaling low-carbon technologies, to incentivizing climate mitigation options, enabling low-carbon choices and promoting natural capital protection, as well as mitigating climate liability and litigation risks.



In 2022, we partnered with Marsh and Liberty Specialty Markets, part of Liberty Mutual Insurance Group, on Marsh's first-of-its-kind insurance and reinsurance facility, which provides dedicated insurance capacity for new and existing green and blue hydrogen energy projects. The facility provides capacity up to \$300 million per risk for the construction and start-up phases of hydrogen projects globally.

## Scaling Emerging and Existing Low-Carbon Technologies

**Without insurance, the appetite for taking risks in a new or unproven field of opportunity would be dramatically reduced. Our innovative solutions for emerging technologies allow for growth while providing the coverage needed to support the technology and help provide security to our clients.**

### Renewable Energy

We strive to be a market leader in the support of renewable energy projects, including offshore and onshore wind, solar, hydro, battery storage, carbon capture and storage and other renewable energy operations. We offer multi-line coverage options and risk engineering expertise across the entire value chain of renewable energy projects. This includes project finance risk cover to the institutions that finance renewable energy projects globally.

### Renewable Energy Tax Credits

We provide coverage for tax credits available for investments in eligible renewable energy projects, including, but not limited to, solar farms, wind turbines, fuel cell power plants and carbon capture and sequestration. These credits include investment tax credits to partially compensate for the cost of renewable energy systems, production tax credits for electricity generated by qualified renewable energy sources, and sequestration tax credits (45Q) for the capture and qualified storage of carbon oxide. Tax insurance can help developers of eligible renewable energy projects facilitate tax equity investments and sales of eligible credits by providing a backstop to indemnities typically required for certain risks relating to the applicable tax credits.

### Green and Blue Hydrogen Energy

We provide multi-line coverage across the hydrogen value chain, including plants, pipelines, underground storage and wells. Our coverage includes assets such as plants, various equipment and operations, pipelines, transportation and other technologies fueled by hydrogen.



### Incentivizing Climate Mitigation Through Insights and Efficient and Resilient Reinstatements

- **Green endorsements:** We offer **Upgrade to Green®** endorsements that add coverage for the increased cost of repairing or replacing covered property damaged by a covered cause of loss using materials, equipment and/or methods that are recognized as being “green.” These green endorsements cover the higher cost of environmentally certified materials and equipment — even if the original property and equipment were not green certified.
- Our **commercial property coverage** and risk engineering reviews evaluate climate considerations (e.g., flood, fire) while driving the development of insurance coverage to protect against the unique risk profile of new sustainable construction materials and techniques, such as timber and modular construction. We provide support to our clients looking to expand from the traditional building materials and practices into technologies that will support the world’s transition to a low-carbon economy. We individually evaluate these technologies and put together the best offering to suit each client’s individual needs.

### Enabling and Incentivizing Low-Carbon Choices

**Mobile solutions:** We provide traditional auto coverage for electric vehicles (EV) and insurance solutions to support EV business models that are part of the platform/sharing economy, including vehicle subscriptions that can be “sponsored” by Original Equipment Manufacturers, dealerships or employers as a means of offering employee benefits; car-sharing; and distributed delivery (similar to ride-sharing but parcels instead of passengers).

### Mitigating Climate Litigation Risks

**Litigation Risks:** Changes in the global legal and regulatory landscape may impact clients’ insurance needs. To help identify and mitigate potential exposures, we proactively monitor new regulations, laws and litigation trends worldwide. Some may require innovative product solutions, often with a short turnaround. For example, a rise in climate litigation-related claims may lead to new regulations or laws and further increase litigation related to environmental practices, climate action or inaction. We seek to help our clients navigate this complex arena through knowledge sharing and tailored solutions.



Photo: AIG colleagues at the 2023 Singapore Motorshow.



### Singapore Green Transport

Singapore aims to phase out internal combustion engine vehicles by 2040. As one of the leading auto insurance providers in Singapore, AIG Singapore is committed to supporting the **drive toward lower-carbon transportation options** in alignment with the [Singapore Green Plan 2030](#). During the 2023 Singapore Motorshow, AIG Singapore sponsored a campaign to offset annual carbon emissions of cars purchased through our partners and insured by AIG during the event. Eligible drivers were able to offset their average annual mileage, which is approximately 17,000 kilometers in Singapore, or the equivalent of about 3 metric tonnes of carbon dioxide emissions. The offsets were secured through [Ecologi®](#), which provides businesses and individuals with multiple ways to support climate solutions, such as funding reforestation projects and verified carbon avoidance projects all over the world. Motorshow attendees were also encouraged to join us by making their own individual sustainability pledge. For every pledge made, we funded the planting of a tree via Ecologi®. You can view AIG Singapore’s contribution dashboard [here](#).



## Other Sustainable Solutions

We also provide other solutions that help our clients manage ESG-related risks, from ESG integration into the business, to managing environmental and social topics in supply chains, cyberattacks and encouraging responsible behavior that protects our biodiversity and natural capital.

### Mitigating ESG Liability Risks

We are a leader in insuring management liability risks and protecting the leaders of public and private companies, nonprofit organizations and financial institutions. For decades, we have helped organizations create customized protection for their directors and officers against competitor, shareholder and regulatory claims. Today, companies are setting goals to address broader environmental, social and governance issues, such as climate change, diversity, equity and inclusion, pay equity, human rights issues within supply chains and cyberattacks. An important role for the directors and officers of organizations is to proactively manage these ESG-related risks. We monitor these trends to help clients identify exposures and update their coverage as needed.

In 2022, we announced that we will work with Marsh to recognize clients based on the strength of their ESG risk scores and ESG risk management frameworks. We are integrating underwriting decision-making with better ESG risk profiles, leading to more favorable outcomes of terms and conditions for clients who are best managing these risks.

### Responsible Supply Chains

We provide insurance solutions that support financing the diamond and jewelry industry. The underwriters work closely with the insured clients to uphold the highest standards of integrity in the industry, including adherence to the [Responsible Jewellery Council's Code of Practices](#), the [Kimberley Process Certification Scheme](#) and the [GIA Diamond Certification](#). These certification programs are designed to support responsible business practices across the entire value chain by assessing issues such as business ethics, labor and human rights, health and safety, environmental performance and management systems.



### Cyber Products and Services

For more than 20 years, we have helped our clients protect their data, networks and IT systems. The cyber insurance we offer provides our clients with financial risk transfer protection and support through the post-incident response.

As a provider of cyber insurance, we help companies better manage cyber risk at the onset and guide them on how to strengthen their controls to mitigate or avoid significant loss in the future. AIG collaborates with our stakeholders to understand the cyber threat landscape and root causes of reported events. The AIG Cyber Risk Advisor (CRA) team helps cyber insurance clients verify cyber risk maturity, prioritize improvements and improve cybersecurity investments with CyberMatics® — our patented, award-winning technology-driven process. The CRA team collaborates closely with the underwriting team to help clients better understand their cyber risk profile. We integrate these findings into the underwriting process and share this knowledge with cyber insurance customers and applicants.

We also strive to enhance cyber insurance underwriting by acquiring externally observable data about an organization's digital footprint

from third parties. This data assists us in identifying precursor malware events or software vulnerabilities that may be exploited by criminal actors designed to cause substantial loss to victim companies.

### Promoting Natural Capital Protection and Biodiversity Preservation



For more than 35 years, we have been playing a key role in supporting our clients through our environmental liability insurance products. Our environmental liability team, which is partially composed of environmental engineers, share their knowledge of environmental risks and partner with clients to help manage these risks. Our solutions are aimed at minimizing the environmental and societal impact when a loss event occurs and supporting the restoration of the environment. When we underwrite, we assess the importance of the natural capital and possible impact a project may have on this capital. We also evaluate the company's level of risk recognition, the emphasis placed on risk management and their risk culture. These considerations help us evolve our products to recognize the growing importance of biodiversity.



# ESG Underwriting

## ESG Underwriting Framework

In 2021, we developed an ESG underwriting framework that identified industries in sensitive business areas to determine if an escalated ESG review was necessary. The ESG reviews are performed based on a proprietary industry-level ESG risk rating developed by our ERM team. In 2022, we piloted the ESG underwriting framework for AIG Singapore and Talbot's commercial underwriting portfolios.

## AIG's ESG Ratings

AIG's ERM team developed proprietary industry-level ESG risk ratings based on Standard Industrial Classification codes to help provide a more holistic view of risk across AIG. Industries are scored based on an evaluation of their ESG performance, trend analysis and the reputational exposure of each industry. The ESG ratings are also an important input to climate risk plans, as they aid in the application of disciplined risk parameters, identify high-risk lines of business, support responding to regulatory requirements, guide stress testing and provide a link between liabilities and investments.



### Claims as a Force for Good

We are proud of the role we play in helping clients restore their lives and businesses after they experience an unexpected loss. Our tenured team of claims professionals helps clients manage complex risks and claims. Our claims team also provides data analytics to the underwriting team regarding ESG risk factors ranging from severe weather events to cybersecurity vulnerabilities to weak corporate governance practices that have caused claims. This close collaboration informs future underwriting strategy and product development and helps to ensure that our products keep pace with the evolving risk landscape.

Immediately after Hurricane Ian devastated parts of the Eastern U.S., our claims experts were on the scene to assess the damage to our clients' property and address their claims, helping them prevent further damage and return their businesses, homes and lives to normalcy. We are driven to help clients get to the right outcome quickly and efficiently, and we are investing in capabilities to deliver that level of support for our clients.





# Our Environment

By integrating climate and other ESG factors into our business practices and decision-making where appropriate and engaging with clients to understand and help empower their decarbonization pathways, we believe that we are making steady progress on the transition to a net zero future.



# Climate Strategy



## What the Science Tells Us

According to the Intergovernmental Panel on Climate Change (IPCC), in the last decade (2011–2020), the earth’s global temperature has risen by more than 1.1°C (2°F) since pre-industrial levels (1850–1900). This increase in temperature has adversely affected nature and people across all regions of the world.<sup>10</sup>

Our business and industry are impacted by the changing climate as shown in the increase in natural catastrophe losses driven by the continued increase in frequency and severity of climate-related hazards and perils. In 2022, insured natural catastrophe losses reached \$130 billion, making it the fifth costliest year on record for insurers, with five out of the last six years having exceeded \$100 billion.

Hurricane Ian, a powerful Atlantic hurricane and the third costliest weather disaster on

record, proved to be a catalyst that changed market dynamics even more significantly than expected, and ultimately led to shifts in the market that required the industry to rethink capital deployment, reinsurance strategies and the commensurate changes that needed to take place in underwriting risk exposures.

Significantly increased levels of natural catastrophes on a global scale have negatively impacted the reinsurance market and retrocessional capacity. This has resulted in an increased cost of capital for the industry, which impacts almost all lines of business and territories, regardless of loss experience.





## Path to Net Zero

Through our risk management expertise and insights, our culture of underwriting and operational excellence and data-driven mindset, we seek to promote climate resilience. We are positioning ourselves as a leading insurer of renewable energy, particularly wind farms and solar plants, which have the highest potential contribution to net GHG emissions reductions by 2030 according to the latest climate change report from the IPCC.<sup>11</sup>

Since 2019, we have been measuring and reducing the GHG emissions from our own operations. In 2021, we announced our commitment to achieve net zero GHG emissions in our operations by 2050 or sooner, and in 2022, after performing a carbon exposure assessment, we expanded our net zero commitments to include our underwriting and investment portfolios.

**Figure 3. Path to Net Zero Levers**



### AIG's Net Zero Commitments

- Reach net zero GHG emissions across our operations underwriting and investment portfolios by 2050 or sooner
- Source 100% renewable energy for AIG's operations<sup>12</sup> by 2030 or sooner
- Use science-based emissions reduction targets, aligning with the latest climate science to meet the goals of the Paris Agreement

You can read our net zero commitments [here](#).

Our path to net zero is a holistic approach focused on four key levers: integration, engagement, innovation and stewardship. At the core of our strategy is promoting preparedness and engaging with our clients to understand their decarbonization pathways and provide solutions that support the transition.

11. IPCC, 2023: Summary for Policymakers. In: Climate Change 2023: Synthesis Report (Figure 7).

12. The 100% renewable energy commitment applies to scope 2 emissions from electricity usage for facilities controlled or owned by AIG.



# GHG Footprint<sup>13</sup>

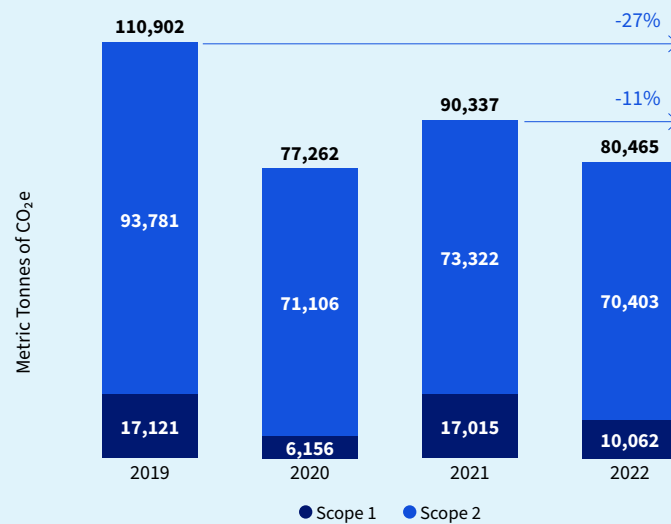


## Operational Emissions

### GHG emissions changes from baseline

We have been measuring our GHG emissions since 2019. We have seen a **27% decrease in scope 1 and 2 emissions we measured from 2019 to 2022**. Several factors have contributed to this change, including the effects of the COVID-19 pandemic, process improvements to our GHG accounting methodology as well as the transformational work of AIG 200. AIG 200 is our multi-year transformation program that included digitalizing workflows, implementing new ways of working and procurement strategies, consolidating office space and migration from on-premises to cloud-based data centers. Additionally, some of the program partners helping us accelerate our progress also have net zero commitments.

Graph 1. AIG's 2019–2022 Scope 1 and Scope 2 Estimated Emissions



Scope 1 and scope 2 emissions are those controlled or owned by AIG. For AIG, these include the following:

- |                |   |
|----------------|---|
| <b>Scope 1</b> | <ul style="list-style-type: none"> <li>• 2022 and 2021 include emissions from fuel combustion in facilities (e.g., boilers, heating, back-up generators) and mobile sources (e.g., corporate air jets and ground fleet), and the use of refrigerants</li> <li>• 2019 and 2020 data include all the above except for refrigerants</li> </ul> |
| <b>Scope 2</b> | <ul style="list-style-type: none"> <li>• 2022 and 2021 include emissions from the purchase of electricity and district heating</li> <li>• 2019 and 2020 data include all the above except for district heating</li> </ul>   |

### GHG emissions changes from prior year

Scope 1 and 2 emissions decreased by 11% from 2021 to 2022 even though we returned to the office in September 2021. Scope 1 emissions decreased by 41% and scope 2 emissions decreased by 4%.

### We believe these changes are attributable to:

#### Optimization of real estate and ground fleet portfolios

- Real estate square footage (sqft) was reduced by 26%
- Ground fleet footprint (number of vehicles) was reduced by 32%

#### Switch to renewable energy sources

- 7% of our energy consumption in facilities is derived from renewable sources
- Conversion of some ground fleet vehicles from conventional combustion engines to electric vehicles

#### Implementation of efficiency measures

- Investments in newer and more efficient real estate infrastructure (e.g., green buildings)
- Transition from natural gas to electric heating in certain facilities



## GHG emissions changes from prior year (continued)

### Implementation of efficiency measures (continued)

- Feasibility energy assessments across multiple locations globally
- Switch to LED lighting fixtures and implementation of lighting control systems
- Conversion of some ground fleet vehicles to lower-emissions and more fuel-efficient vehicles (e.g., hybrids)

### Methodological updates in GHG estimations

- **Increased the amount of actual (i.e., metered) data used**, which allows us to rely less on estimations, extrapolations and/or similar judgments
- **Revised estimation methodologies** for sites with unknown actual usage based on recent electricity and heat statistics
- **Reclassified emissions from fuel usage in perk cars from scope 1 to scope 3 GHG emissions**, in accordance with the Greenhouse Gas Protocol from the World Resources Institute and World Business Council for Sustainable Development
- **Updated emission factors**, as every year we review and apply the latest emission factors published by country-level energy agencies

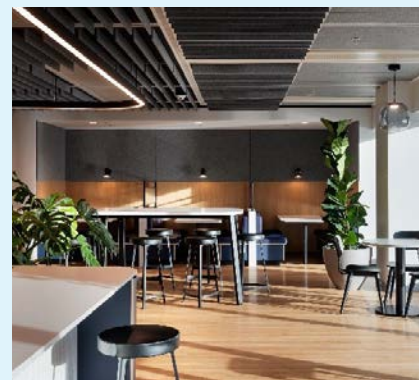


### New Zealand: AIG Auckland Relocated to Green Star Rated Jarden House

In April 2022, AIG relocated its Auckland office to Jarden House. We expect the move to the city's new Commercial Bay precinct to optimize the office footprint and support our global commitment to achieving net zero GHG emissions by 2050 or sooner. Jarden House is a premium 15-story office building that achieved a 5-star rating for environmental sustainability under the New Zealand Green Star system. The building's sustainability initiatives include recycling facilities, rainwater harvesting, on-site bike storage, water efficient fittings, worm farms, LED lighting in common areas and energy-saving auto-sensors. In addition, AIG New Zealand is a Toitū carbonreduce certified organization, which means the entity maintains an ongoing commitment to manage and reduce its emissions.



Photo: Green Star Rated Jarden House



Photos: AIG Office in Auckland



## Value Chain Emissions

Scope 3 emissions (also referred to as value chain emissions) are the result of activities from assets not directly owned or controlled by AIG, but that AIG indirectly affects in its value chain activities. The GHG Protocol standards define 15 categories of scope 3 emissions. We are currently measuring five of the 15 categories as outlined in [Table 2](#). Refer to [Underwriting Emissions](#) and [Investments](#) sections for more information on our ongoing efforts and progress toward measuring emissions associated with our underwriting and investment portfolios.

### GHG emissions changes from prior year

The total **scope 3 emissions under our scope of estimation have decreased by 2% from 2021 to 2022**, which we believe was due to decreases of purchased goods and services, fuel- and energy-related activities and waste generated in operations, notwithstanding reporting scope changes that increased the estimated emissions associated with business travel as described below.

**Emissions from purchased goods and services decreased by 5%**. Emissions are estimated based on spend method, which considers the economic

value and location where goods and services are purchased to derive emissions factors. Emissions may be impacted by changes in spend type and location. In 2022, our GS&PS team reassigned spend items to updated spend categories, which may have impacted estimated emissions.

**Emissions from fuel- and energy-related activities decreased by 26%** due to real estate optimization efforts (26% decrease in sqft).

**Emissions from waste generated in operations decreased by 43%** due to real estate optimization efforts (26% decrease in sqft) and changes in emission factors.

**Emissions from business travel increased by 392%** due to changes in reporting scope and increase in frequency of business travel after COVID-19-related travel restrictions were lifted. In 2022, we expanded data coverage beyond air travel to include estimated emissions from rail and automobile travel (e.g., rental cars or employee-owned vehicle travel other than commuting to and from work) as well as hotel/lodging. Even though emissions from air travel increased from 2021 to 2022, these emissions are 69% below 2019 levels.

### Partnering to Reduce Carbon Emissions and Generate Long-Term Value

We believe that our partnership with Accenture in connection with AIG 200 will increase operational efficiency while simultaneously reducing our GHG emissions:

**Greener and future-fit IT:** We are moving IT data center operations<sup>15</sup> from two on-premise data centers to co-location and public cloud facilities in order to secure future-fit computing capabilities at lower cost and carbon levels.

**Leaner and greener outsourced operations:** To become leaner and more agile, we transferred several shared service centers to Accenture. Our operational (scope 1 and 2) GHG emissions from these sites became value chain emissions (scope 3) and are estimated to be reduced by 98% in line with [Accenture's goal of 100% renewable electricity](#) in all of its locations by the end of 2023.

**Net zero strategy:** Accenture performed a carbon exposure assessment and developed a high-level roadmap to guide us in setting our net zero commitments.

**Table 2. AIG's 2019–2022 Scope 3 Estimated Emissions<sup>14</sup>**

| Scope 3 category                    | Metric Tonnes of CO <sub>2</sub> e |                |                |                | % Variance from prior yr (2021) |
|-------------------------------------|------------------------------------|----------------|----------------|----------------|---------------------------------|
|                                     | 2019                               | 2020           | 2021           | 2022           |                                 |
| Purchased goods and services        | 374,474                            | 429,208        | 492,871        | 470,388        | -5%                             |
| Fuel- and energy-related activities | —                                  | —              | 6,946          | 5,109          | -26%                            |
| Waste generated in operations       | —                                  | —              | 7,559          | 4,345          | -43%                            |
| Business travel                     | 44,695                             | 1,394          | 4,410          | 21,682         | 392%                            |
| Downstream leased assets            | —                                  | —              | 5,247          | 6,703          | 28%                             |
| <b>Total scope 3 emissions</b>      | <b>419,169</b>                     | <b>430,602</b> | <b>517,033</b> | <b>508,227</b> | <b>-2%</b>                      |

14. The dashes indicate that these categories were not measured in prior years.

15. Includes Corebridge.



### 2022 GHG Emissions Baseline

As we continue the separation of our Life and Retirement business, we have also begun to prepare an estimate of our 2022 baseline to exclude Corebridge. This resulted in a 44% lower estimate for operational GHG emissions (scope 1 and 2) and 20% lower estimate for value chain GHG emissions (scope 3) as shown in Table 3. The emissions estimations (including underlying data and methodology) may change as we continue to evaluate the data and as the Corebridge separation progresses.

**Table 3. AIG's 2019 and 2022 Scope 1, 2 and 3 Emissions**

|                          | AIG Inc. (includes Corebridge)          |                | AIG Inc. (excludes Corebridge) | Impacts of excluding Corebridge |
|--------------------------|---|----------------|--------------------------------|---------------------------------|
|                          | 2019                                    | 2022           | 2022                           |                                 |
|                          | Metric Tonnes (MT) of CO <sub>2</sub> e |                | MT of CO <sub>2</sub> e        | % Change                        |
| Scope 1                  | 17,121                                  | 10,062         | 7,413                          | -26%                            |
| Scope 2                  | 93,781                                  | 70,403         | 37,454                         | -47%                            |
| <b>Total scope 1 + 2</b> | <b>110,902</b>                          | <b>80,465</b>  | <b>44,867</b>                  | <b>-44%</b>                     |
| <b>Scope 3 emissions</b> | <b>419,169</b>                          | <b>508,227</b> | <b>405,648</b>                 | <b>-20%</b>                     |

### GHG Emissions Reporting Criteria

We estimate scope 1, scope 2 and certain categories of scope 3 (related to purchased goods and services, fuel- and energy-related activities, waste generated in operations, business travel and downstream leased assets) GHG emissions generally based on internationally recognized methodologies

from the Greenhouse Gas Protocol standards from the World Resources Institute and World Business Council for Sustainable Development.

To categorize emissions across scopes, we adopt an organizational boundary approach based on operational control. Where available,

GHG emissions are calculated based on actual (i.e., metered) data received. In certain instances where actual data is not available, we estimate based on estimation methodologies using internationally accepted and recognized methodologies and standards.

Non-financial information, such as GHG emissions, is subject to measurement and estimation uncertainties resulting from limitations inherent to the data and methods used for compiling and determining such information. The methodologies and assumptions used to determine such data are still in the early stages of development and are likely to change. As our measurement and estimation techniques evolve, the use of different methodologies and changes in data availability could result in materially different measurements. The precision of different measurement techniques may also vary. GHG emissions calculations also depend on third-party information, which AIG has no ability to verify independently.

### Underwriting Emissions

In 2021, we conducted a carbon exposure assessment to estimate a preliminary baseline of our insurance-associated emissions to help us understand the current state and guide

our climate strategy, including our net zero commitments. To perform this assessment, we used the [Carbon Footprinting methodology for underwriting portfolios](#) from the CRO Forum. The results of this assessment were disclosed in our [2021 ESG report](#).

One of our four levers to net zero is **stewardship—helping to shape the standards for net zero pathways**. As part of this commitment, we closely monitor the development of standards for our industry and participate in discussions to inform the development of these standards.

In 2022, we closely examined the advancements from the Partnership for Carbon Accounting Financials and the Net Zero Insurance Alliance. We responded to the public consultations launched by both groups on the measurement of insurance-associated emissions and target-setting protocol for net zero underwriting emissions.

We are carefully evaluating the published standards as we develop and implement a data-driven approach to reporting that is aligned with our underwriting practices.



## Investments

AIG’s insurance companies receive premiums and deposits in advance of paying covered claims or benefits. In the intervening periods, we generally invest these premiums and deposits to generate net investment income that, along with the invested funds, are available to pay claims or benefits. Our investment strategies are tailored to the specific business needs of each operating unit. The primary objectives are generation of investment income, preservation of capital, liquidity management and growth of surplus.

AIG has changed its investments strategy and group by entering into strategic partnerships with Blackstone and BlackRock.

Although AIG’s operating model will continue to evolve with respect to investment activities, we do not intend to change our core accountabilities as asset owners or our approach to sustainable investing, which flows directly from our [Purpose and Values](#).

In 2022, AIG committed to achieve net zero investment portfolio GHG emissions by 2050 or sooner, implemented investment guidelines with BlackRock<sup>16</sup> that operationalize AIG’s [2022 net zero commitments](#) and continued to measure the emissions of our investment portfolio.

## Investment Emissions & Temperature Alignment for Listed Corporate Bonds

As part of our net zero commitment, we continue to enhance our ability to estimate the GHG emissions from our investment portfolio where data is available.

As of December 31, 2022, AIG’s General Insurance subsidiaries held approximately \$32 billion of listed corporate bond securities invested across investment grade, high yield and emerging markets strategies.

**Table 4. Financed Emissions and Implied Temperature Rise for Listed Corporate Bond Securities<sup>17</sup>**

| Listed Corporate Bond Securities<br>December 31, 2022 | Book Value<br>USD, million | Financed Emissions<br>Scope 1 & 2 metric tonnes CO <sub>2</sub> e | Financed Emissions Intensity<br>Scope 1 & 2 metric tonnes CO <sub>2</sub> e/\$M invested | Implied Temperature Rise | Data Coverage <sup>18</sup><br>% |
|---|----------------------------|---|--|--------------------------|----------------------------------|
| Investment Grade                                      | \$27,982                   | 1,541,692   | 55   | 2.5° C                   | 87%                              |
| High Yield  | \$1,436                    | 227,345   | 158  | 3.1° C                   | 72%                              |
| Emerging Markets                                      | \$2,429                    | 423,146   | 174  | 3.7° C                   | 66%                              |

Our investment portfolio activities are assessed in the context of our insurance business’s broader needs and objectives. We will continue to target an asset allocation mix that provides diversification from an asset class, sector, issuer and geographic perspective, as this diversification is key to ensuring a resilient portfolio that exhibits financial strength in times of stress.

Therefore, our decarbonization journey will depend not only on our own actions, but also on broader progress in decarbonizing every sector of the economy. We are dedicated to working with our investment managers to plan and implement our net zero commitments and will continue to report on our progress.

16. AIG entered into investment management agreements with BlackRock, Inc. and its affiliates (BlackRock) beginning in April 2022 to manage liquid fixed income and certain private placement assets for AIG’s insurance company subsidiaries. As of December 31, 2022, \$59.7 billion of such subsidiaries’ assets had been transferred to BlackRock for management. You can read more about our investment management agreements with BlackRock on page 60 of our [2022 10-K](#).

17. Emissions-related data including implied temperature rise is provided by MSCI.

18. This represents the percentage of our book value that was assessed based on emissions data availability.





# Climate-Related Disclosures

## Types of Climate Risks<sup>19</sup>

Climate change has three distinct yet highly interrelated mechanisms that create risk for AIG:

### 1 Physical Risks

Both direct and indirect impacts from event-driven (acute) or longer-term (chronic) shifts in climate patterns. Climate change contributes to an increase in the frequency and severity of natural disasters and the creation of uncertainty as to future trends and exposures.

### 2 Transition Risks

Transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change.

### 3 Liability Risks

May arise from people or businesses seeking compensation for losses they may have suffered from physical or transition risks. This may be due to policy and technological changes, as well as from third parties who seek to influence policy or recover losses from others whom they believe are responsible by means of failure to mitigate, adapt and/or disclose.

We consider the potential impact from climate-related issues on our business, strategy and financial planning over short-, medium- and long-term time horizons. We consider both direct physical impacts and indirect effects that may emerge through transition risks, particularly those driven by new legal and regulatory requirements as well as those from evolving investor, client and broker expectations.

In the short to medium term, our underwriting and investment activities create potential legal and regulatory risks due to increased focus on ESG-related litigation and regulatory action. In the medium to long term, chronic physical risks such as shifting temperatures, precipitation levels, droughts and sea water levels

could impact AIG's property and casualty underwriting and operational exposures to climate change. Additionally, in the short-, medium- and long-term actions that governments, regulators and society may take to transition toward low or net zero carbon economies may impact us (for example, the introduction of new policies and the adoption of new technologies).

Climate change presents significant financial implications for AIG in areas such as underwriting, claims and investments, as well as risk capacity, financial reserving and operations.



**In the pages to follow, we present the risk categories that we are actively monitoring.**

### Natural Catastrophe Risk

We recognize that climate change has implications for insurance industry exposure to natural catastrophe risk. The nature of our business exposes our Company to various natural disasters, such as hurricanes, tornadoes, windstorms, hailstorms, flooding, earthquakes, wildfires, solar storms and other natural catastrophes. Physical manifestations of climate change, particularly as the frequency and severity of catastrophic events continue to increase, may challenge our ability to effectively underwrite, model and price catastrophe risk.

Assessing the near-term claims and premium impacts of climate-related risks assumed by AIG is managed through our modeling work, our broadly diversified business and our regular reviews of our risk appetite and reinsurance strategy. We use a blend of proprietary and third-party risk models to help us understand the frequency and severity of natural catastrophe risk. Modeling the medium- and long-term impacts in other lines of business (e.g., liability) is still an evolving area in light of the very limited amount of claims activity.

Of all natural catastrophe perils, we have identified five distinct perils that are potentially exposed to climate change: tropical cyclone, wildfire, flood, severe convective storm and extratropical storm. AIG examines each utilizing internal and external sources of information, including the most recent climate change assessment report published by the IPCC as well as peer-reviewed scientific literature.

A meaningful proportion of our General Insurance property policies (which generally includes those with the greatest exposure to natural catastrophe events) are renewed on an annual basis, providing us the opportunity to re-underwrite and re-price the risk, which limits the medium- and long-term risks to AIG.

Our Claims function also tracks specific types of losses, including natural catastrophes, for which climate change may be an exacerbating factor with the potential to worsen loss scenarios. Thus, our Claims team works closely with our Underwriting team to assess the impact of those events on both the level of risk to which AIG might be exposed as an insurer and the pricing of that risk. We necessarily reassess regularly the increasing frequency and severity of claims that may stem from climate change impacts, as

well as claims from emerging risks such as not previously modeled catastrophes.

For an overview of our natural catastrophe exposures and annual aggregate modeled losses for all perils worldwide, refer to page 125 of our [2022 Form 10-K](#).

### Operational Risk and Business Continuity Risk

AIG is also exposed to the physical impacts of climate change on individual facilities and office locations. We have business continuity plans in place to help us quickly respond to climate change-related incidents that may disrupt business operations, including extreme weather events. AIG regularly reviews its existing incident management, business continuity and disaster recovery practices, and our Global Head of Resiliency guides our business resiliency plans.

Through our Net Zero Operations Working Group, AIG continues to proactively engage with our operational functions to raise awareness and encourage colleagues to adopt more sustainable business practices that help mitigate the impact of climate change. For more information, read our [Operational Emissions](#) section.

### Regulatory Risk

Regulators are increasingly focused on ESG practices and disclosures, including those related to environmental stewardship, climate change, diversity, equity and inclusion, racial justice and workplace conduct. Regulators have imposed, and likely will continue to impose, ESG-related rules and guidance, which may conflict with one another and impose additional costs on us or expose us to new or additional risks. Moreover, we could be impacted by efforts to transition toward low or net zero carbon economies from actions that governments and regulators may take to limit the impacts of climate change, including the introduction of new policies and the adoption of new technologies. Governments and policymakers are pledging to meet carbon reduction targets and are adopting sustainable finance strategies that decarbonize their economies to drive adaptation and resiliency in the face of increasing natural catastrophes and societal pressures. As such, we anticipate that policymakers' and regulators' climate- and ESG-related expectations will continue to evolve over the coming years.



These regulatory and policy measures have the potential to impact both sides of insurers' balance sheets. The impact may manifest through the re-pricing, change in market value and overall change in nature and financial risk (risk profile) of carbon-intensive assets and sectors, and the speed at which these changes may occur. The transition to low or net zero carbon may also lead to a potential reduction of insurance premiums in carbon-intensive sectors.

We track climate- and ESG-related regulatory and legislative developments and assess their implications for AIG. Read more in our [Lobbying and Public Policy](#) section.

### Investment and Credit Risk<sup>20</sup>

AIG's investment managers seek to consider ESG matters to the extent applicable to implementing our investment strategies.

As efforts to move away from a carbon-intensive economy gather pace, financial market participants may fundamentally reassess the value of carbon-intensive assets and the businesses that rely on them. Shifts in consumer behavior as well as regulatory incentives and penalties may affect the long-term viability of these businesses and, in turn, the value of the instruments they issue. At times,

revaluation may lead to asset impairments and corresponding credit exposure with respect to those instruments. Accordingly, our investment managers attempt to consider the relevant and material factors, including climate developments, regulatory developments and ESG factors, as part of their investment and portfolio monitoring process (including with respect to credit risk).

As part of a group-wide effort to prioritize and engage subject-matter experts on climate-related risks, AIG's investments group continued throughout 2022 to discuss with ERM and other functional support teams how different transition scenarios could impact the asset performance of AIG's metals and mining, energy, automotive and real estate sector exposures. Moreover, ERM regularly engages with the business units on climate-related risk considerations during reviews of above-threshold obligors and annual portfolio reviews with AIG's Investments Group and Underwriters for Credit Lines.

To the fullest extent practicable, AIG seeks to duration-match its assets to its liabilities. Our portfolio broadly consists of fixed income, asset-backed and securitized products and alternative assets, including listed and private equity. Some of these investments are either secured by, or heavily dependent on, physical assets. Although

our investment managers' credit and investment processes consider protections that are in place, such as property and business interruption insurance, increased physical and transition risks from climate change may affect the value of these assets in the future.

### Litigation and Legal Risk

Litigation related to climate change has grown exponentially. Many lawsuits center on enforcement or interpretation of environmental laws and regulations, often seeking to use litigation as a tool to influence government and corporate climate policies. Other cases seek damages for alleged contributions to climate change, insufficient disclosure around material financial risks or false advertising claims ("greenwashing").

In addition, shareholders bring securities suits against companies, directors and officers, as well as derivative actions against directors and officers for alleged disclosure or climate risk management failures. AIG tracks these litigation trends, including to understand factors that can change a company's risk profile, evolving norms for disclosure and expectations for corporate action around climate change, and potential

### Climate Financial Risk Forum (CFRF) Underwriting Guides: Litigation and Physical Risk

In partnership with an initiative of the UK's Prudential Regulation Authority and Financial Conduct Authority, AIG's ERM team led the production of the Climate Litigation Chapter of the Session 3 Guides, published by the [CFRF](#). The CFRF publishes guides to assist insurers in managing emerging climate risks and, in turn, support their net zero targets.

- The [Climate Litigation Risk guide](#) includes a review of the top 11 most significant climate litigation cases currently in progress and examines the implications for insurers, including recommendations to help manage and mitigate these risks.
- The [Physical Risk Underwriting guide](#) describes how climate change may affect acute and chronic region perils and considers the potential impacts on the modeling of natural catastrophe risks.

<sup>20</sup> Corebridge's asset portfolio is managed within the limits and constraints set forth in its investment and risk policies. These policies set limits on investments by asset class. Corebridge also sets limits on certain credit risks, which are managed by credit professionals. As Corebridge continues to deconsolidate from AIG, we expect Corebridge to continue to evolve its operating model and approach to investing over time.



impact of litigation against companies and their directors and officers on insured losses.

AIG also considers and monitors the indirect effects of climate risk on litigation, which have already resulted in losses. Severe weather and other effects of climate change result in more frequent and more severe damages, which could lead to increased litigation liability. AIG's ERM team regularly engages with the business to identify and understand how climate change may affect such claims.

### Reputational Risk

Investors, customers, regulators and other stakeholders are placing greater scrutiny on climate-related topics. Increasingly, there is disparity among stakeholder groups, as well as individual constituents within stakeholder groups, regarding expectations about how businesses should respond to and communicate about climate issues. Companies that are unable to meet stakeholders' diverging expectations could suffer from negative publicity, reputational harm or loss of customer or investor confidence, which could adversely affect operations. AIG's risk experts engage with clients to help them understand the complex and evolving risk landscape, so that they can

make informed, risk-adjusted decisions that allow them to achieve their specific climate-related goals.

### Technology Risk

Technological advancements that support the transition to a lower-carbon, energy-efficient economic system may have a significant impact on a wide range of companies and other organizations. This may affect the nature and financial impact of the risks our customers seek to insure. This economic transition may also materially affect the demand for insurance in specific sectors, most obviously in energy and transportation. Although this may not necessarily reduce the overall demand for insurance products and services, it may alter demand patterns and the nature of insurance coverage required.

AIG is currently addressing technology risks as part of our energy transition efforts. We created cross-functional working groups that serve as think tanks and focus on specific technical topics, such as hydrogen and carbon capture and storage. These working groups convene experts from engineering, underwriting, claims and other functional areas to share lessons learned, discuss leading practices, raise questions and develop guidance for the business.



Additionally, our ERM team has established a Community of Practice (CoP) to assess the potential impact of different types of energy transition risks, including technological advancements. The Energy Transition CoP brings together expertise and resources across business lines and functions where these risks are most likely to manifest and acts as the central location to review, evaluate and disseminate data and information to inform decision-making and goal setting. Through regular interactions and roundtable discussions with internal and external stakeholders, the

Energy Transition CoP is developing a top-of-the-house view to guide AIG's underwriting, investment and risk management processes. Importantly, this view will form a baseline for dedicated emerging risk professionals conducting materiality and impact assessments across all affected lines of business.



## Management of Climate-Related Risks<sup>21</sup>



With multiple levels of risk management processes in place, we aim to analyze the latest climate science and policies to anticipate potential changes to our risk profile, pricing models and strategic planning. In addition, we provide insurance products and services designed to help our clients be proactive against the threat of climate change. Our internal product development, underwriting and modeling will continue to adapt to and evolve with the developing risk exposures attributed to climate change.

### Risk Expertise and Solutions

AIG's **Risk Engineering team** partners with our underwriting teams and clients to assess risk and advise on how to create safer, more resilient environments by providing technical guidance for risk-based decisions. The team's risk assessments can encompass all areas of our clients' operations, including property and product safety, environmental and transportation risks and cyber infrastructure and incident response readiness. The Risk Engineering team also advises clients on how to make their property more resilient against preventable losses from natural catastrophes, such as recommending defensive barriers against floodwater or wildfires and strengthening structures against windstorms. In this way, environmental, social and governance factors are intertwined with all aspects of the risk management process. To learn about how AIG's Risk Engineering team helps improve resiliency and protect businesses and people from the impacts of natural catastrophes, see our [Catastrophe Preparedness](#) site.

### Catastrophe Risk Insights

AIG's **Research & Development (R&D) team** includes colleagues with advanced degrees across various geo- and physical sciences, including hydrology, atmospheric science, seismology, engineering, mathematics and statistics. This team is responsible for informing AIG's view on our potential exposure to natural catastrophe risks.

The R&D team also helps clients understand their general exposures to natural catastrophe and climate change risks. Their insights include a portfolio hazard score on common perils such as wind, flood, hail, wildfire, landslide, tsunami and volcano; a model of average annual loss and probable maximum loss on the most significant loss-driving perils; and a tiered confidence rating for the climate change impacts on each peril.

### Risk Appetite Framework

Our Risk Appetite Framework integrates stakeholder interests, strategic business goals and available financial resources. We balance these by seeking to take measured risks that are expected to generate repeatable, sustainable earnings and create long-term value for our shareholders. The framework includes our Risk Appetite Statement, approved by the Board of Directors, and a set of supporting tools, including risk tolerances, risk limits and policies, which we use to manage our risk profile and financial resources.

We articulate our aggregate risk-taking by setting risk tolerances and thresholds on capital and liquidity measures. These measures are set at the AIG Parent level as well as the legal entity level and cover consolidated and insurance company capital and liquidity ratios. We must comply with standards for capital adequacy and maintain sufficient liquidity to meet all our obligations as they come due in accordance with our capital management and liquidity management policies. Our risk tolerances take into consideration regulatory requirements,



rating agency expectations and business needs. Risk identification and measurement are key tools used to inform the Risk Appetite Framework. We identify risk through several processes at the business unit and corporate level and are focused on capturing material risks. A key initiative is our integrated bottom-up risk identification and assessment process, which is conducted down to the product-line level (including country aggregations where relevant). We also perform an annual top-down risk assessment to identify top risks and assign owners to ensure these risks are appropriately addressed and managed.

In 2022, the ERM team completed an ESG assessment for all UK industry sectors using an in-house methodology. This was an important milestone in our journey toward evaluating ESG risks across AIG's underwriting and investments business for all AIG entities. The assessment will support AIG's climate risk management by helping identify high-risk lines of business, guide stress-testing and provide a link between liabilities and investments.

AIG integrates climate risk into its company-wide Risk Appetite Statement and its annual Own Risk and Solvency Assessment (ORSA) summary reports submitted to our insurance regulators. Business functions are increasingly integrating climate risk into their activities, and business leads are considering how to address climate risk challenges in their strategic plans and track climate-related activities across the year.

The Group Risk Committee (GRC), which is composed of members of AIG's senior management, is responsible for assessing significant risk issues on a global basis to protect our financial strength, optimize our intrinsic value and protect our reputation. The GRC monitors AIG's risk exposure and periodically approves and recommends risk tolerances and limits for AIG within our established risk appetite. Our Chief Risk Officer also periodically presents a consolidated risk report to committees of AIG's Board.



### Emerging Risk Framework

We have established an Emerging Risk Framework to monitor, assess and analyze key emerging risks facing the Company, including climate-related risks. The Emerging Risk Framework includes horizon scanning designed to facilitate cross-functional dialogue, improve information flow across the Company, catalyze risk management action and spark product innovation.

In 2022, AIG's Emerging Risk Forum identified risks associated with climate change as a priority. We intend to coordinate assessments of climate-related physical and transition risks to better understand and define climate-related risks and opportunities and more effectively direct expert insights and opinions to lines of business that could be possibly impacted. This approach complements AIG's existing management of climate-related risks through natural catastrophe modeling, our reinsurance strategy, business continuity planning and regularly revisiting the organizational appetite for such risks.



### Climate Scenario Modeling

AIG takes a common approach to climate risk management across our organization, including identifying and monitoring climate risks through top-down, bottom-up approaches, risk profiling and/or exposure analysis to climate-relevant sectors.

In the UK, Australia, Singapore and Japan, AIG has completed climate stress tests as prescribed by the local regulatory authority or (in the case of Japan) on a voluntary basis. These exercises considered the physical, transition and liability risks for various climate-related scenarios. Physical scenarios align with the IPCC Representative Concentration Pathways. Transition scenarios align with the Network for Greening the Financial System in the transition to net zero. Refer to **Table 5** for a summary of scenarios completed.

AIG is in the process of developing a global climate scenario incorporating the risk exposure of our global entities. The global climate scenario will help us consider the transition, physical and liability risks for three climate-related stress scenarios, including an orderly transition, disorderly transition and hot house world scenario. AIG intends to develop management actions in response to the stress test results, as appropriate.

**Table 5. Summary of the Climate Scenarios and Stress Tests Conducted Since 2019**

| Region    | Stress Test                                | Scenario Description   | Type of Risk                                   | Regulator                                  |
|-----------|--|--|--|--|
| UK        | 2019 GI Stress Test                        | <ul style="list-style-type: none"> <li>• Sudden Transition</li> <li>• Long-Term Orderly Transition</li> <li>• No Additional Policy Action</li> </ul>                 | Transition & Physical                          | Prudential Regulation Authority (PRA)      |
|           | 2021 Climate Biennial Exploratory Scenario | <ul style="list-style-type: none"> <li>• Early Policy Action</li> <li>• Late Policy Action</li> <li>• No Additional Policy Action</li> </ul>                         | Transition, Physical & Liability <sup>22</sup> | PRA  |
| Singapore | 2021 Singapore Industry-Wide Stress Test   | <ul style="list-style-type: none"> <li>• No Additional Policy Action</li> <li>• Disorderly Transition</li> </ul>   | Transition                                     | Monetary Authority of Singapore (MAS)      |
|           | 2022 Singapore Industry-Wide Stress Test   | <ul style="list-style-type: none"> <li>• Early and Orderly Transition</li> <li>• Delayed and Disorderly Transition</li> <li>• No Additional Policy Action</li> </ul> | Transition & Physical                          | MAS  |
| Australia | 2022 Climate Stress Test                   | <ul style="list-style-type: none"> <li>• Early Policy Action</li> <li>• Late Policy Action</li> <li>• No Additional Policy Action</li> </ul>                         | Transition, Physical & Liability <sup>22</sup> | Australian Prudential Regulation Authority |
| Japan     | 2021 ORSA Proactive Climate Stress Test    | <ul style="list-style-type: none"> <li>• Sudden Transition</li> <li>• Long-Term Orderly Transition</li> <li>• No Additional Policy Action</li> </ul>                 | Transition & Physical                          | Japan Financial Services Agency            |

22. Liability risks included seven litigation scenarios: direct causal contribution; violation of fundamental rights resulting in cessation or significant reduction of operations; greenwashing; misreading the transition; indirect causal contribution (negligently preparing for climate change); directors' breach of fiduciary duties and indirect causal contribution (financing).



### AIG Singapore Climate Stress Test

In 2022, AIG Singapore participated in the Monetary Authority of Singapore's climate risk exercise, applying three stress scenarios from January 2022 through 2050. Taking a static balance sheet approach, the stress scenarios covered transition risks, physical risks and counterparty level asset risks. The static balance sheet approach allows insurers to identify impacts if no management actions are taken. The three stress scenarios included an early and orderly transition toward a low-carbon future, a delayed and disorderly transition and a scenario where no additional climate policy action is taken. Physical risks are most elevated in the scenario where no additional action is taken, as global warming is not kept under the target thresholds. In all three scenarios, the impacts from transition and physical risks are expected to be immaterial for Singapore.



### Reinsurance

Reinsurance is insurance against losses experienced within our own insurance portfolio. AIG deploys a reinsurance strategy to manage our overall capital adequacy and mitigate insurance loss exposure for our various business lines.

Our catastrophe cover includes traditional reinsurance as well as insurance-linked securities transactions.

The increased levels of natural catastrophes on a global scale have impacted the reinsurance market, but we believe AIG is in a strong position with regards to reinsurance purchases given the repositioning and the improved quality of our global portfolio, coupled with our considerable efforts to reduce our gross portfolio peak exposures.

Our 2023 property catastrophe reinsurance program is a worldwide program providing both aggregate and per-occurrence protection, with differing aggregate and per-occurrence

retentions for North America, Japan and Rest of World. In 2023, we made changes to our North America property catastrophe reinsurance program to reflect our improving portfolio.

To help support our coverage of renewable energy businesses, AIG has purchased reinsurance that covers the operation of offshore wind farms outside of the Gulf of Mexico and the construction of offshore wind farms without geographical restrictions.





# Biodiversity



We strive to monitor the risks and effects of biodiversity loss throughout our business and, in 2022, AIG incorporated biodiversity within our Risk Appetite Statement, recognizing the importance of a healthy biodiversity and the need to understand the potential effects of biodiversity loss.

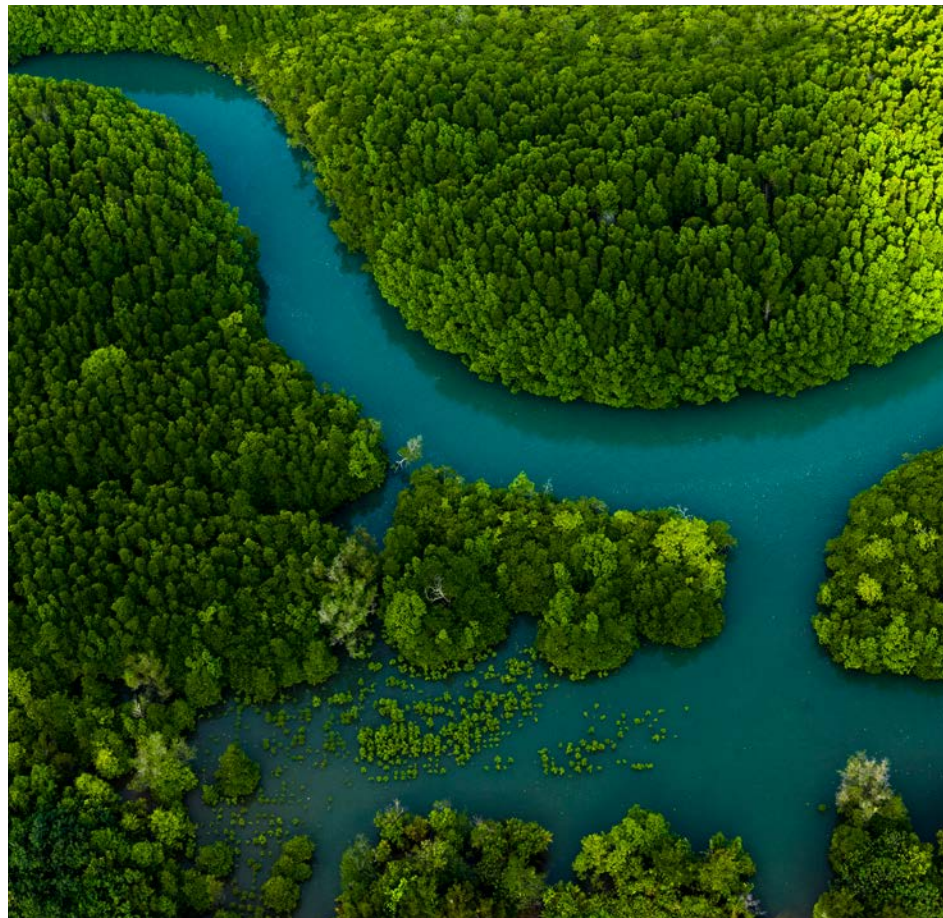
Healthy ecosystems and biodiversity are critically important to human health and underpin many economic activities. We are dependent on biodiversity for supplying food, clean air and water, developing medicines and pharmaceuticals, filtering pollution, sequestering carbon, mitigating and adapting to the impacts of climate change, regenerating soils and protecting against infectious disease. According to the World Bank, protecting biodiversity could avert \$2.7 trillion in annual economic losses by the year 2030.

Although the full social impact of biodiversity loss is not yet clear, degradation of natural ecosystems can directly impact the frequency and severity of natural catastrophes like flooding, landslides and wildfires. Biodiversity loss may also harm human health in various ways, including increasing the threat of infectious diseases, which, as the COVID-19 pandemic has shown, can carry significant economic and business costs.

According to the World Bank,  
protecting biodiversity could avert

**\$2.7 TRILLION**

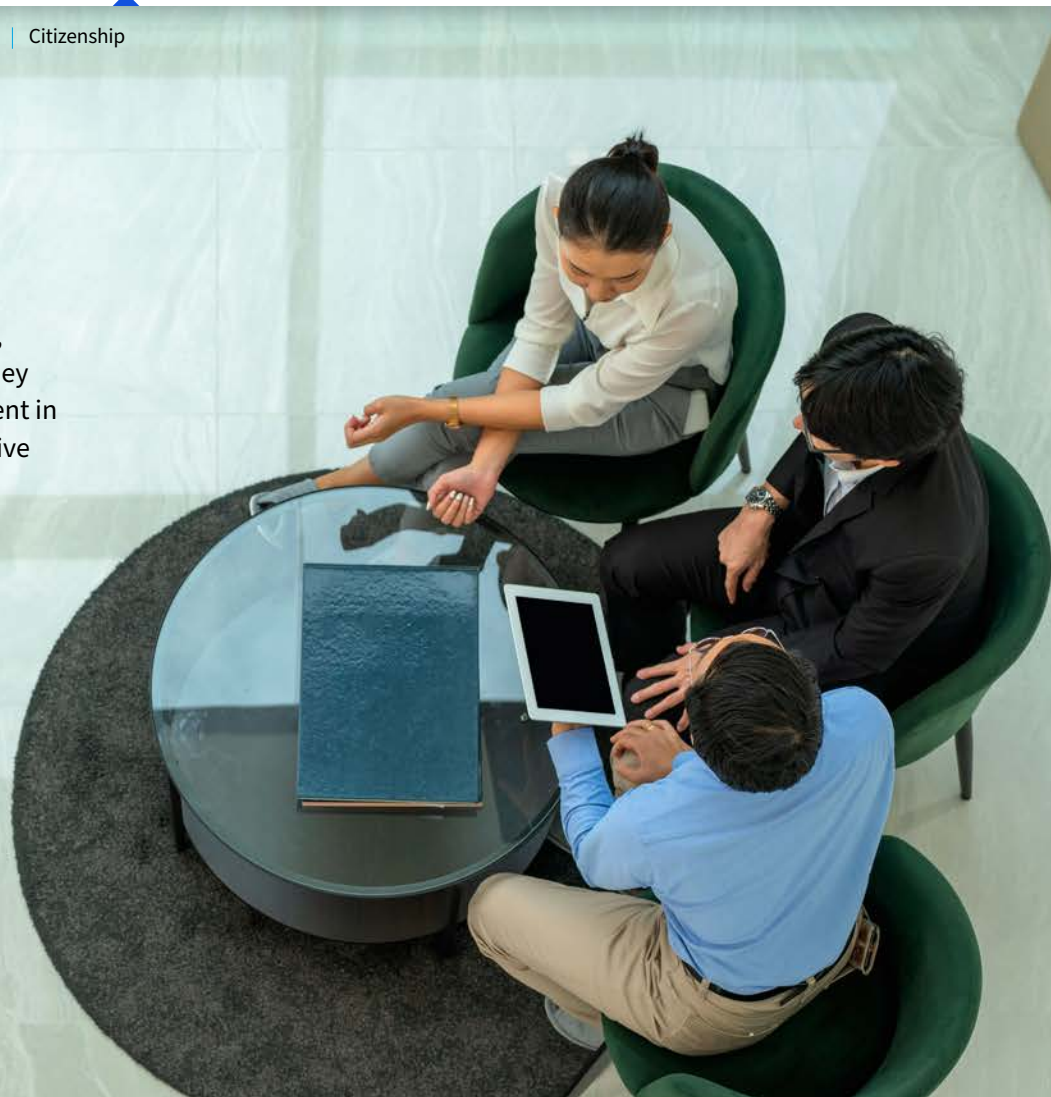
in annual economic losses  
by the year 2030.





# Our Colleagues

Our colleagues are our greatest asset, and we are committed to retaining, attracting and developing high-caliber talent who contribute to our journey of becoming a top performing company, fostering an inclusive environment in which we actively seek and embrace diverse thinking and making a positive impact on the communities where we live and work.





# Talent



Today's professionals value flexible, inclusive and safe work environments, genuine commitment to allyship and corporate social responsibility along with competitive pay and benefits and career advancement opportunities. Our colleagues are our greatest strength, and our talent strategy incorporates these important factors to offer compelling career opportunities around the world as we strive to retain, attract and develop the best and brightest professionals.

Our global talent strategy is centered on doing the right thing for our people and the communities where we work and live. We seek to offer a working environment where knowledge is cultivated, innovation is encouraged, achievement is rewarded and inclusion is considered a business imperative.

We have an engaged global workforce of more than 26,000 colleagues based in approximately 70 countries and jurisdictions. The value we create for our clients, distribution partners, shareholders, communities and other stakeholders is a direct result of the hard work and commitment of our AIG colleagues.

## Talent Attraction

In a competitive recruitment market, our compelling employee value proposition attracts talent to AIG.

In 2022, we placed more than 4,000 positions globally, a 30% increase compared to 2021. 36% of our openings were filled with internal talent and 23% were filled with colleague referrals, demonstrating the strength of our colleague networks and bench strength of our internal talent.

We believe having a workforce of colleagues with diverse backgrounds, experiences and perspectives is one of our greatest assets. In 2022, we continued to deploy a variety of strategies to reach a diverse pool of talent, which included:

- Continuing to leverage our partnerships with targeted organizations, schools and colleges to provide opportunities for non-traditional career pathways for experienced and early career talent.

- Continuing to assemble diverse slates of qualified candidates, utilize diverse interview panels and partner with executive search firms with relevant diverse expertise.
- Implementing new programs to help expand our talent recruitment pools:
  - Piloted a Neurodiversity Summer Internship Program in the U.S. focused on attracting neurodivergent talent.
  - Launched a U.S. [Returnship Program](#), providing new opportunities for talent reentering the workforce.

We are also committed to expanding our pipeline of future insurance professionals through Early Career Programs. In 2022, we hosted more than 200 summer interns and hired 280 full-time analysts, following their graduation from university. Our full-time analysts participate in the AIG Academy, a two-year structured developmental program

that equips early career talent with the skills, capabilities and network needed to make an impact as insurance professionals. Our UK Apprenticeship program, launched in 2020, provides a non-traditional career pathway for individuals who have not completed high school to continue their education while getting hands-on experience in insurance roles. We are also advancing non-traditional career pathways in the U.S., providing high school graduates with apprenticeship opportunities to build workplace skills and gain on-the-job experiences that count toward college credits.

All new hires have access to our global digital onboarding experience to help them navigate the organization, learn about AIG and build their internal network.



## Talent Development

AIG benefits from offering an environment in which colleagues can thrive. We strive to foster a workplace where colleagues can learn, leverage their talents in new roles, connect with others, feel included and be their authentic selves.

We have a globally consistent streamlined process to promote internal talent and support succession planning. Our approach helps identify a pipeline of diverse talent throughout the organization and the actions needed to support their development.

Equipping our people with the skills and capabilities to be successful and contribute to AIG is a key priority. Our colleagues have access to meaningful tools and resources to assist in their professional development no matter where they are in their career paths.

We offer numerous virtual learning opportunities to support the development of our colleagues. Through these platforms, colleagues can increase their insurance and business knowledge, build critical job skills and earn continuing education credits. In 2022, our colleagues voluntarily completed more than 87,000 virtual courses and 560,000 LinkedIn Learning videos.

In addition to online courses, we offer a series of live, interactive learning experiences designed to reinforce our culture of excellence. These programs focus on providing colleagues with a strong foundation of core skills, including communication, collaboration, coaching, change agility and problem solving.

This year, we built an underwriting skills and capability framework, focused on both technical and professional skills, to help underwriters focus on their individual skill development. The framework is designed to support constructive conversations between underwriters and their managers about the skill development achievements that have occurred as well as the skills needed for career progression.

People managers and leaders are critical in developing AIG’s talent for organizational success. To assess leadership skills and capabilities, we use distinct leadership assessment tools, including 360-degree feedback. These tools support our leaders to develop their self-awareness and enable them to build well-defined and personalized leadership development goals. Our Leading Transformation program enhances our senior

leaders’ ability to navigate and drive change and transformation to achieve business objectives and build culture successfully. In addition, we recently launched a person-centric coaching masterclass to further develop the critical thinking skills of our talent while building a culture of accountability across our teams.

We place a strong emphasis on diversity and inclusion in our learning programs. We have delivered conscious inclusion training to nearly 60% of our people managers to build their awareness of bias and its impact on team members and to help them hone their empathy skills to support diverse teams.



This focus will continue to be part of our core curriculum for people managers going forward. In addition, we released an eLearning series called “Hiring & Developing Top Talent” for people managers and talent acquisition professionals focused on exploring hidden bias in talent acquisition and development.

In 2022, we launched DEI microlearning for global colleagues focusing on inclusive leadership, allyship, dimensions of diversity, cross-cultural dynamics and fostering inclusion. We continued an instructor-led course called “Authentically, You” that empowers colleagues to reflect on their values and strengths and being their authentic selves in work and life.

In addition to live courses and online learning, AIG offers reimbursement programs for tuition in select countries and certification training to encourage colleagues to enhance their education and skills.





# Diversity, Equity and Inclusion



The diversity of our people is one of our greatest strengths. By retaining, attracting and developing diverse talent around the world, we are able to understand and serve our clients better—helping all of us achieve new potential together.

At AIG, we believe in creating a culture that reflects the changes we see—and hope to see more of—in the world around us. One where everyone is accepted and celebrated for who they are and what they want to become.

## Commitments to DEI

AIG is a proud signatory of the [CEO Action for Diversity & Inclusion](#), a CEO pledge that rallies the business community to advance DEI in the workplace by collaborating across organizations and sectors.

Our Chairman & CEO, Peter Zaffino, is committed to fulfilling this pledge by:

- Taking actions to implement and expand unconscious bias education
- Making AIG a place where colleagues can have complex conversations about diversity, equity and inclusion

Our Executive Vice President, Chief Human Resources & Diversity Officer leads AIG's Talent and Inclusion efforts, and the Executive Leadership Team collaborates closely to embed our DEI priorities in decisions that affect our organization.

Our commitment to DEI is formalized in our [Diversity and Inclusion Policy](#), including manager and employee responsibilities, an equal opportunity statement, anti-discriminatory harassment, bullying and sexual harassment policies, and disabilities accommodations.

Our culture of allyship also inspires colleagues to support one another's professional development—both formally and informally—with training, sponsorship, mentoring and networking opportunities. Forums in which colleagues help to lift one another up include AIG's Accelerated Leadership Development Program, General Insurance Professional Associate Program, Global Sponsorship Program, Employee Resource Groups (ERGs) and the AIG Academy.



According to a report from the Return on Disability Group, only 4% of U.S. companies had a disability component included in their DEI policies; AIG is one of these companies.



## Employee Resource Groups

AIG's **ERGs** are forums reflecting 13 dimensions of diversity that enable colleagues to come together based on shared interests, mutual distinction, self-identification or as allies. Our global network of 125 chapters spread across 55 office locations in 42 countries is open to all AIG colleagues and is key to supporting a culture of inclusion and belonging.

Nearly one third of our colleagues participate in ERGs, with 875 of our colleagues offering their time and commitment to serve in chapter leadership roles.

Our ERGs offer creative and engaging opportunities to learn more about allyship, wellness and career development. Our ERGs also facilitate networking opportunities across business areas, give back to local communities and educate colleagues on DEI.

In 2022, AIG's global ERGs hosted over 1,000 total events and programs for colleagues, including more than 450 events and programs focused on allyship and more than 130 events and programs focused on wellness.

Our ERGs along with senior leaders also continued our series of global listening sessions known as **Courageous Conversations** that feature candid dialogue on DEI and allyship. The series covered topics including mental health and wellness and neurodiversity. In addition, to enhance workplace inclusion for women, our UK offices conducted sessions to raise manager awareness about support around menopause. To further LGBTQ+ inclusion and awareness, our ERGs also continue to promote our pronoun guide as part of our colleague email signature templates that feature preferred pronouns.

### Our Global Network Supporting a Culture of Inclusion and Belonging

125  
chapters

55  
office locations

42  
countries

1,000+  
total events

### Freedom of Association and Collective Bargaining

AIG upholds freedom of association and collective bargaining. Our Human Resources, Employee Relations and Compliance departments are responsible for the protection of labor rights, and AIG supports the rights of employees under any legislation or federal, state or local law. We also investigate anonymous complaints to the best of our ability. Employees are free to discuss their wages, hours and other working conditions as allowable under local laws. Some of our international locations have works councils and collective bargaining agreements. Additionally, we recognize the value of allowing groups of employees with common interests to formalize their professional relationship by creating or joining an ERG.



Photo (top): Japan Rainbow LGBTQ+ & Allies ERG proudly attends a local Pride celebration.

Photo (below): Philadelphia & DC Young Professionals ERG hosted colleagues and broker partners in support of breast cancer awareness.



## Diverse Representation and Reporting

By listening to and learning from our stakeholders, AIG has made great progress on our DEI journey—and we know there is more work to be done. We continue to take important steps while also helping to promote DEI in the broader insurance industry and beyond.

AIG strives to be a diverse organization. As of May 2023, our Board of Directors is 70% diverse with gender parity, and our Executive Leadership Team is 45% diverse.

AIG has an established track-record of increasing transparency with regards to our workforce diversity. We have been reporting on our U.S. workforce composition since 2018 in our EEO-1 report, which is publicly available on our [website](#).

**70%**  
of the Board of Directors  
is diverse<sup>23</sup>

**45%**  
of the Executive Leadership  
Team is diverse<sup>23</sup>





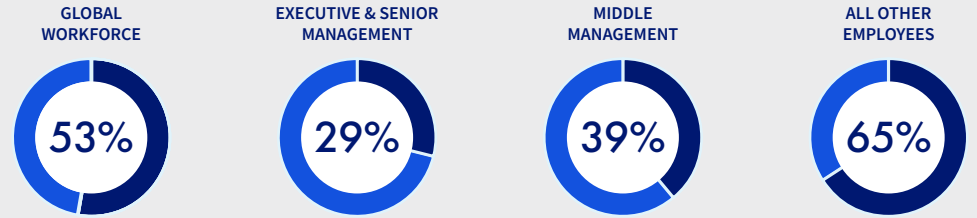
## Diversity Metrics

### Graph 2. Global Workforce Gender Representation

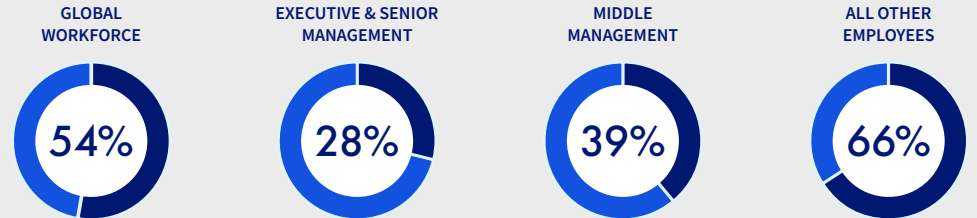
(% female by fiscal year) ● Male ● Female

In 2022, our **global female representation improved by 1.6 percentage points across Executive and Senior Management roles** and 0.4 percentage points across Middle Management roles.

2022



2021



### Graph 3. 2022 Global Headcount Activity by Gender Representation

(% female by fiscal year) ● Male ● Female

We continue to track gender data for new hires, promotions and terminations globally. We continue to hire and promote more female professionals, representing more than 50% of all hires and promotions in 2022.

2022



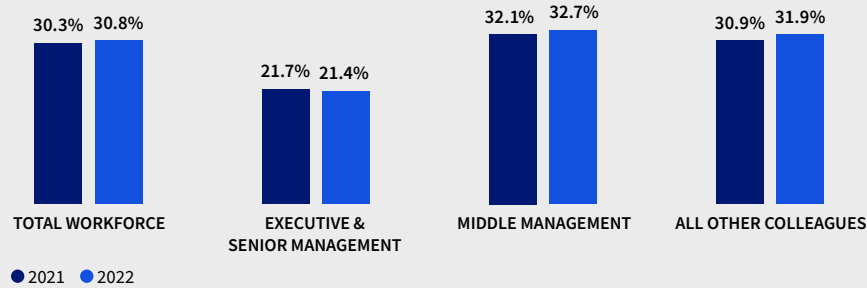




## Diversity Metrics (continued)

**Graph 4. U.S. Workforce Ethnicity Representation**

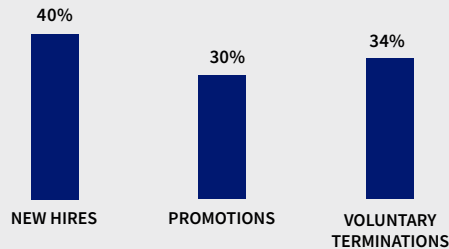
(% ethnically diverse by fiscal year)



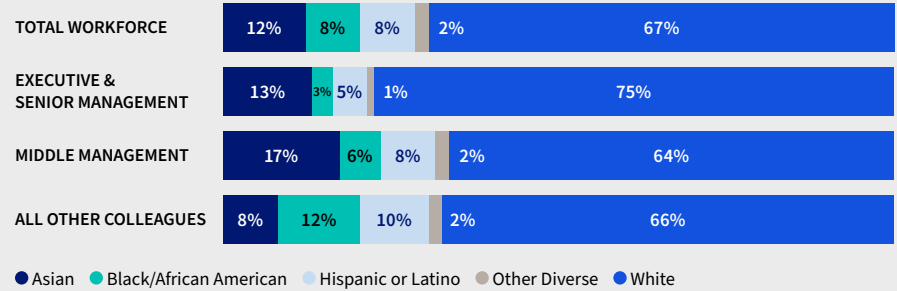
We continue our path of improving minority representation among our organization. At the end of 2022, our U.S. workforce was 30.8% ethnically diverse, an increase of 0.5 percentage points from 2021. This was due to 40.0% of our new hires in 2022 being ethnically diverse.

**Graph 5. 2022 U.S. Headcount Activity by Ethnic Representation**

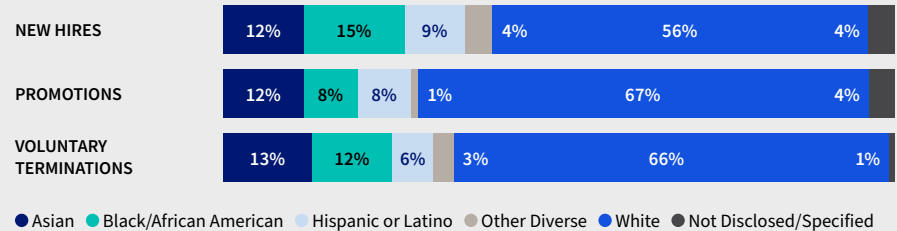
(% ethnically diverse)



**Graph 6. 2022 U.S. Workforce Ethnicity Distribution by Level**



**Graph 7. 2022 U.S. Headcount Activity by Ethnicity Distribution**





# Human Rights



AIG is committed to respecting and supporting human rights in the global communities we serve and conducting our business in accordance with internationally recognized human rights standards. Our dedication to fundamental principles of human rights is an important cornerstone of our organizational culture and is evidenced by our endorsement of the United Nations Global Compact and reflected in our [Human Rights Statement](#), [DEI policy](#), Employee Handbook and [Code of Conduct](#).

As part of our workplace culture, we promote an Open-Door work environment, where our colleagues are free to raise any human rights concerns in a safe and secure environment, without fear of retaliation, with their managers, Employee Relations, Human Resources, their designated compliance officer and our Compliance Helpline.





# Pay Equity



AIG is committed to providing a fair and equitable workplace for employees without regard to gender, race or ethnicity. We strive to uphold this commitment by implementing global policies that are designed to protect our colleagues starting at the beginning of their relationships with AIG, with oversight from the Board through its Compensation and Management Resources Committee.

## Equity in Recruiting

Our commitment to pay equity is embedded in our recruiting policies and practices. We establish pay and job grades as described in the following paragraph based on gender- and race-neutral considerations.

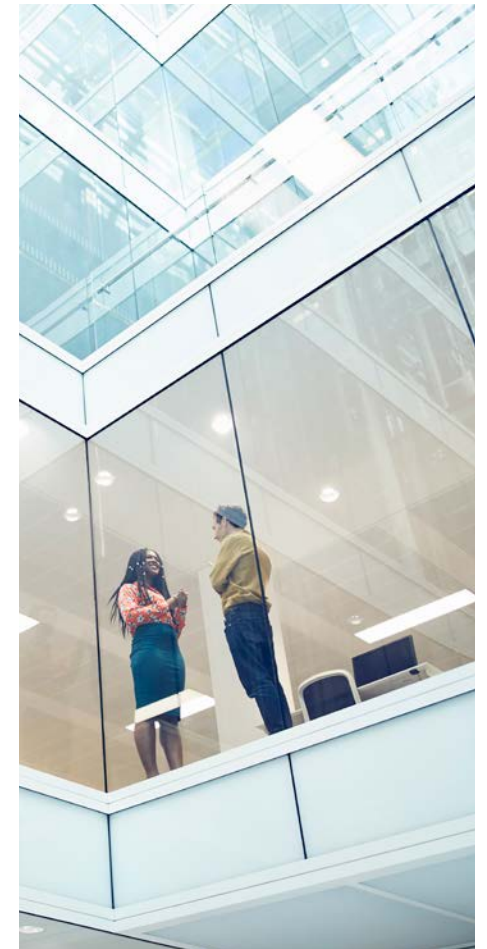
## Setting Global Standards

All colleagues at AIG are placed into specific job grades based on their duties and responsibilities, with each job grade providing specific guidance on appropriate salaries. This structure creates pay consistency across all of our global operations and enables employees to better understand and benchmark their compensation. This structure also supports employees by identifying appropriate performance management and career-development opportunities.

## Review and Accountability

AIG draws upon internal processes, external benchmarking and monitoring to identify and address any perceived gender-, race- or ethnicity-related pay gap issues. AIG intends to fully comply with applicable legal requirements and is actively monitoring changes in laws and regulations regarding pay transparency. Additionally, AIG satisfies regulatory requirements with respect to the submission of Gender Pay Gap reporting as may be required globally.

We also provide our colleagues with resources to report or discuss concerns related to compensation and pay equity. These include our Employee Relations group, Human Resources department and Compliance Helpline. To encourage meaningful reporting, we give our colleagues the option of maintaining anonymity throughout the reporting process.





## 2022 AIG Women's Open

Our title sponsorship of the [AIG Women's Open](#) is evidence of our dedicated pursuit of gender equity and gender pay equity and steadfast commitment to allyship. With this sponsorship, we aim to demonstrate our commitment to equitable recognition of exceptional achievements of women on the golf course, in business and in society more broadly. We are proud to work with The R&A, an organization that is committed to contributing and promoting environmental excellence and world-class leadership in resource efficiency, conservation and the social value of golf facilities.

In 2022, the AIG Women's Open and The R&A announced that players at the AIG Women's Open competed for \$7.3 million, an increase of 26% over 2021. The total prize fund has more than doubled since The R&A and AIG began our partnership in 2019.





# Well-being



At AIG, we continue to prioritize wellness, including mental, physical, social and financial well-being. We believe that supporting the health and wellness of our colleagues strengthens connections and helps our colleagues deliver excellence.

## Total Rewards Program

Total Rewards at AIG is our investment in our colleagues and their well-being. We offer a comprehensive benefits package that extends beyond time spent at work to offer benefits focused on our colleagues' health, well-being, financial security and professional development.

Our benefits are an important component of **Total Rewards** and are encompassed across three categories:

**1. Protection:** Provide a core level of benefits to protect our colleagues and their families from everyday issues as well as unforeseen events. These may include medical, life, disability, business travel and accident benefits.

**2. Market:** Provide commonly offered plans in local markets such as retirement, car policies and parking benefits, commuter reimbursement, allowances, paid time off, paid holidays, leaves, meal vouchers and dental and vision benefits.

**3. Culture:** Provide support on initiatives that promote diversity and inclusion and being a socially responsible employer. To achieve these goals, we support initiatives such as parental leaves, wellness, childcare, employee assistance programs, domestic partner benefits, employee volunteer programs and gift matching, tuition reimbursement and various types of personal leave.

We regularly reassess our benefits and wellness programs to provide holistic support to our colleagues' well-being.

## Health and Safety

We are committed to providing a safe and healthy work environment for all colleagues by creating an environment and culture of safety that minimizes risk of injury, adverse impacts to the environment and to conducting business with the highest integrity and in compliance with applicable law.

Our **Global Health, Safety and Environmental policy** takes measures to prevent workplace injuries and illnesses and create a safe and healthy work environment while meeting regulatory and duty of care responsibilities. We continue to provide COVID-19 general safety guidance and protocols for colleagues to follow in addition to local laws and regulations.

## Work-Life Balance and Family Support

In the U.S., AIG partners with Bright Horizons to manage work, family and personal responsibilities for colleagues. This program provides back-up child and adult/elder care, discounted childcare and enrichment programs, academic support and tutoring, and resources for pet care, housekeeping and more. AIG colleagues utilized 1,476 days of back-up care through Bright Horizons in 2022.<sup>24</sup>



### Employee Assistance Programs (EAPs)

Most countries in which we operate have an EAP that provides digital, telephonic and in-person mental, emotional and behavioral health support with licensed counselors and providers at no cost to our colleagues or their household members. In 2022, 4,512 colleagues accessed EAP services globally.<sup>25</sup>

### Global Mental and Social Health Initiative

In October 2020, we launched the Global Wellness mental and social health initiative to expand and complement existing local programs. In 2022, we granted all colleagues two company-paid Wellness and Mental Health Days off to focus on themselves and their families.



Photo: AIG colleague enjoying Wellness and Mental Health Day off

## Employee Wellness Programming

### United States

**5,105 unique attendees participated in over 100 wellness activities,**<sup>25</sup> events and a variety of well-being initiatives implemented by AIG. AIG Corporate Benefits partners with colleagues from the Wellness Champion Network and ERGs to ensure programs are meaningful, inclusive and relevant to all colleagues.

### Canada

Continued to focus on the four well-being pillars: **1) physical, 2) emotional, 3) financial and 4) social.** Colleagues received a monthly newsletter with information on webinars and wellness topics. Wellness and benefit information was also incorporated into the new hire onboarding process.

### EMEA

**904 colleagues joined the 2022 AIG Challenge and completed 25,835 hours of physical activity.** The AIG Challenge is a digital team health challenge where teams can earn points through physical activity and exercise.

### APAC

**APAC Wellness Ambassadors** partnered with **Community Business**, a nonprofit organization, to deliver a **Well-being at Work** campaign to all APAC colleagues.



### Awards and Recognition

AIG was awarded the Gold recognition for the American Heart Association Workforce Well-being Scorecard for its U.S. wellness programming and workplace policies and environment.

# Citizenship



We recognize that together, we can create sustainable, equitable and impactful solutions to some of the world's greatest challenges. Our Sustainability, Talent and Inclusion and Corporate Citizenship teams work cross-functionally to achieve our shared objectives. We design, manage and promote programs that empower our colleagues to leverage their expertise, time and generosity to impact our communities positively through volunteerism and giving.

All AIG philanthropy and volunteer efforts are vital to our mission to serve as a responsible corporate citizen and are overseen by the Global Corporate Citizenship team, which reports to AIG's Chief Human Resources & Diversity Officer. We collaborate with our nonprofit and nongovernmental partners to identify and develop programs to deploy support. We assess our partners to ensure resources are distributed equitably and are well positioned to serve those with the highest need.

All charitable contribution requests are subject to review and approval by the Global Corporate Citizenship team. The Nominating and Corporate Governance Committee of AIG's Board of Directors reviews significant charitable giving by AIG and its subsidiaries.

## Key Metrics<sup>26</sup>

# 53,000+ hours

volunteered by 5,100+ colleagues globally

# Over \$22.5 million

in charitable contributions, matching grants and monetized in-kind contributions of volunteer time

- **\$12 million** granted to charities to strengthen communities around the world
- **\$6.5 million** in charitable donations made through AIG's Matching Grants Program to **2,800+ charities** supported by **2,300+ colleagues**
- **\$2 million** contributed to the AIG Compassionate Colleagues Fund
- **\$200,000** to support colleagues' access to artistic, cultural and educational institutions through the AIG Corporate Museum Membership Program

# 5,000+ hours

of free legal support to nonprofit organizations and individuals through the AIG Pro Bono Program

## Awards and Recognition



### Civic 50

Recognized on the [Civic 50](#) as one of the most community-minded companies in the United States.



### Bronze U.S. President's Volunteer Service Award

from Junior Achievement for the 2021–2022 school year



### Global Citizen Award, International Medical Corps



## Philanthropy

In 2022, AIG's giving efforts included more than \$22.5 million in charitable contributions, matching grants and monetized in-kind contributions of volunteer time.

### Arts and Culture

AIG's Corporate Museum Membership Program provides our colleagues with access to artistic, cultural and educational institutions.

### Matching Grants Program

AIG's Matching Grants Program matches donations made by AIG colleagues and their spouses/partners 2:1 up to \$10,000 per year to eligible Canada-, UK- and U.S.-based charitable organizations.

### AIG Compassionate Colleagues Fund

Corporate contributions and voluntary colleague donations aid AIG colleagues experiencing financial hardship or those impacted by natural disasters, health crises or other unforeseen circumstances.

In each of 2021 and 2022, AIG committed \$2 million to the Fund, and as of December 2022, over 800 grants were disbursed since the inception of the Fund.<sup>27</sup>

The Fund is a non-employer-controlled 501(c)(3) public charity. AIG does not participate in or advise on the application review process, and colleague applications are not shared with AIG.

## Volunteerism

### Volunteer Time Off (VTO)

In celebration of the 10th anniversary of the VTO program, AIG colleagues were able to take up to 24 hours of paid time off in 2022 (outside of their traditional PTO) to volunteer with nonprofit organizations and schools.

### Global Volunteer Month

In our Global Volunteer Month (April 2022), more than 2,500 colleagues volunteered across 26 countries for a total of 9,300 volunteer hours.<sup>27</sup>

### Gather for Good

In 2022, AIG launched the *Gather for Good* campaign, which was designed to incorporate volunteerism into office, team and ERG events. Team Volunteer Event Grants were made available to offset the necessary costs associated with hosting corporate volunteer events, including donations to partner nonprofit organizations, transportation and supplies.



Photo: Colleagues in Houston assisted with maintenance and beautification of the nearby Buffalo Bayou.

### GivingTuesday

On November 30, 2022, AIG colleagues and their families from seven countries joined the global giving movement, donating over \$100,000 through the Matching Grants Program and giving back over 700 hours in volunteerism and acts of kindness.<sup>27</sup>



### Pro Bono

AIG's Pro Bono Program leverages colleagues' expertise and commitment to giving back by providing free legal and related services to those in need.

Key pillars include immigration, family law, education and mentorship, veterans' benefits, at-risk women and children and criminal and social justice reform. We also partner with leading experts and nonprofit organizations, aligning our pro bono work and financial support with their efforts and using our global platform to magnify the positive effects of their projects.

In 2022, AIG volunteers logged over 5,000 hours<sup>27</sup> of free legal services and other support to a variety of nonprofit organizations and individuals and families most in need.





## Charitable Partnerships

AIG partners with nonprofits and NGOs to offer direct financial support and/or access to employee volunteers and to extend our charitable and philanthropic reach. These partnerships are vital to our mission to lift the communities in which we operate as a responsible corporate citizen.

### Examples of Our Charitable Partnerships Include:<sup>28</sup>



[Junior Achievement](#), through which over 200 AIG colleagues helped to provide financial education to more than 8,600 young students across 18 cities.



[Rise Against Hunger](#), an international hunger relief NGO that AIG has supported since 2014, through which AIG colleagues have packed 1,656,540 meals for communities around the world facing food insecurity.



[Enactus](#), through which AIG pledges our support for the 17 United Nations Sustainable Development Goals. AIG has contributed to and engaged with Enactus programs in the U.S., the UK, Canada, Australia, China, Puerto Rico, South Africa and Italy.



[Move United](#), for which more than 30 sponsors and donors at the annual AIG Winter Summit raised more than \$700,000. At the event, 250 of the insurance industry's top leaders, clients, brokers and AIG colleagues shared insights and discussed how AIG's expertise and solutions help manage risk while raising money for Move United.



# Appendices





# Appendix A: SASB Indices

## SASB Insurance Standard

| TOPIC   | CODE/METRIC  | REFERENCE  |
|---|--|--|
| Transparent Information & Fair Advice for Customers                                     | FN-IN-270a.1: Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product related information to new and returning customers | We are evaluating this metric's applicability  |
|   | FN-IN-270a.2: Complaints-to-claims ratio   |  |
|   | FN-IN-270a.3: Customer retention rate  |  |
|   | FN-IN-270a.4: Description of approach to informing customers about products  | See the <a href="#">Our Clients</a> section of this report   |
| Incorporation of Environmental, Social, and Governance Factors in Investment Management | FN-IN-410a.1: Total invested assets, by industry and asset class   | Total invested assets for General Insurance: \$85 billion. See <a href="#">AIG's 2022 Q4 Financial Supplement</a> , p. 48-49 for breakdown by industry and asset class |
|   | FN-IN-410a.2: Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies                                    | See the <a href="#">Investments</a> section of this report   |
| Policies Designed to Incentivize Responsible Behavior                                   | FN-IN-410b.1: Net premiums written related to energy efficiency and low-carbon technology  | Not available  |
|   | FN-IN-410b.2: Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors  | See the <a href="#">Our Clients</a> section of this report   |



# Appendix A: SASB Indices (continued)

## SASB Insurance Standard

| TOPIC                       | CODE/METRIC   | REFERENCE  |
|-----------------------------|---|--|
| Environmental Risk Exposure | FN-IN-450a.1: Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes   | See AIG's <a href="#">2022 Form 10-K</a> p. 124-125  |
|                             | 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)  | (1) See AIG's <a href="#">2022 Form 10-K</a> p. 124-125. (2) Not available   |
|                             | 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  | See the <a href="#">Our Approach</a> , <a href="#">Products with Impact</a> , <a href="#">ESG Underwriting Framework</a> and <a href="#">Management of Climate-Related Risks</a> sections of this report |
| Systemic Risk Management    | FN-IN-550a.1: Exposure to derivative instruments by category: (1) total potential exposure to noncentrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse and (3) total potential exposure to centrally cleared derivatives | We are evaluating this metric's applicability  |
|                             | FN-IN-550a.2: Total fair value of securities lending collateral assets  | \$0. See AIG's <a href="#">2022 Form 10-K</a> p. 184   |
|                             | FN-IN-550a.3: Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities   | See AIG's <a href="#">2022 Form 10-K</a> : Investments p. 87, Liquidity and Capital Resources p. 108, Enterprise Risk Management p. 117  |



# Appendix A: SASB Indices (continued)

## SASB Asset Management and Custody Activities Standard

| TOPIC  | ACCOUNTING METRIC  | REFERENCE  |
|--|--|--|
| Transparent Information & Fair Advice for Customers  | FN-AC-270a.1: (1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings   | We are evaluating this metric's applicability  |
|  | FN-AC-270a.2: Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers   |  |
|  | FN-AC-270a.3: Description of approach to informing customers about products and services   |  |
| Employee Diversity & Inclusion   | FN-AC-330a.1: Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals and (4) all other employees  | See Diversity Metrics within the <a href="#">Diversity, Equity and Inclusion</a> section of this report, or AIG's <a href="#">EEO-1 report</a> |
| Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory | FN-AC-410a.1: Amount of assets under management, by asset class, that employ (1) integration of ESG issues, (2) sustainability themed investing and (3) screening  | Not available  |
|  | FN-AC-410a.2: Description of approach to incorporation of ESG factors in investment and/or wealth management processes and strategies  | See the <a href="#">Investments</a> section of this report   |
|  | FN-AC-410a.3: Description of proxy voting and investee engagement policies and procedures  | See AIG's <a href="#">2023 Proxy Statement</a>   |
| Business Ethics  | FN-AC-510a.1: Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice or other related financial industry laws or regulations | We are evaluating this metric's applicability  |
|  | FN-AC-510a.2: Description of whistleblower policies and procedures. AIG's whistleblower policies and procedures are described in the AIG Code of Conduct.  | See AIG's <a href="#">Employee Code of Conduct</a>   |



## Appendix B: TCFD Index

| THEME  | RECOMMENDED DISCLOSURES  | REFERENCE  |
|--|--|--|
| <b>Governance</b><br>Disclose the organization's governance around climate-related risks and opportunities.  | a) Describe the board's oversight of climate-related risks and opportunities.  | See the <a href="#">ESG Governance Structure</a> section of this report  |
|  | b) Describe management's role in assessing and managing climate-related risks and opportunities.   | See the <a href="#">ESG Governance Structure</a> and <a href="#">Management of Climate-Related Risks</a> sections of this report |
| <b>Strategy</b><br>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning. | a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.                              | See the <a href="#">Types of Climate Risks</a> section of this report  |
|  | b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.                      | See the <a href="#">Types of Climate Risks</a> and <a href="#">Management of Climate-Related Risks</a> sections of this report   |
|  | c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including 2°C or lower scenario. | See the <a href="#">Types of Climate Risks</a> and <a href="#">Management of Climate-Related Risks</a> sections of this report   |
| <b>Risk Management</b><br>Disclose how the organization identifies, assesses and manages climate-related risks.  | a) Describe the organization's processes for identifying and assessing climate-related risks.  | See the <a href="#">Management of Climate-Related Risks</a> section of this report   |
|  | b) Describe the organization's processes for managing climate-related risks.   | See the <a href="#">Management of Climate-Related Risks</a> section of this report   |
|  | c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.   | See the <a href="#">Management of Climate-Related Risks</a> section of this report   |
| <b>Metrics and Targets</b><br>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.                                 | a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.  | See the <a href="#">GHG Footprint</a> section of this report   |
|  | b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions and the related risks.  | See the <a href="#">GHG Footprint</a> section of this report   |
|  | c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.                        | See the <a href="#">GHG Footprint</a> section of this report   |



# Appendix C: GRI Index

| DISCLOSURE NUMBER | DISCLOSURE TITLE | RESPONSE/REFERENCE |
|-------------------|------------------|--------------------|
|-------------------|------------------|--------------------|

## GRI 102: General Disclosures

### Organizational Profile

|        |  |  |
|--------|--|--|
| 102-1  | Name of the organization                                     | American International Group, Inc.   |
| 102-2  | Activities, brands, products, and services                   | See AIG's <a href="#">2022 Form 10-K</a>   |
| 102-3  | Location of headquarters                                     | 1271 Avenue of the Americas, New York, NY 10020-1304   |
| 102-4  | Location of operations                                       | See AIG's <a href="#">2022 Form 10-K</a>   |
| 102-5  | Ownership and legal form                                     | Delaware Corporation with publicly traded shares listed on the New York Stock Exchange   |
| 102-6  | Markets served   | See AIG's <a href="#">2022 Form 10-K</a>   |
| 102-7  | Scale of the organization                                    | See AIG's <a href="#">2022 Form 10-K</a>   |
| 102-8  | Information on employees and other workers                   | See the <a href="#">Our Colleagues</a> section of this report and AIG's <a href="#">2022 Form 10-K</a>   |
| 102-9  | Supply chain   | See the <a href="#">Supply Chain Responsibility</a> section of this report and <a href="#">Supplier Relations on AIG.com</a>   |
| 102-10 | Significant changes to the organization and its supply chain | See the <a href="#">Our Business, About this Report</a> and <a href="#">Supply Chain Responsibility</a> sections of this report  |
| 102-11 | Precautionary Principle or approach                          | See the <a href="#">Management of Climate-Related Risks</a> section of this report   |
| 102-12 | External initiatives   | See the <a href="#">Our Strategy</a> , <a href="#">Our Clients</a> and <a href="#">Our Colleagues</a> sections of this report and AIG's <a href="#">2022 Annual Report</a> |
| 102-13 | Membership of associations                                   | See the <a href="#">Memberships</a> section of this report   |

### Strategy

|        |                                       |  |
|--------|---------------------------------------|--|
| 102-14 | Statement from senior decision-maker  | See the <a href="#">Executive Summary</a> section of this report |
| 102-15 | Key impacts, risks, and opportunities | See AIG's <a href="#">2022 Form 10-K</a>                         |

### Ethics and Integrity

|        |  |  |
|--------|--|--|
| 102-16 | Values, principles, standards, and norms of behavior | See the <a href="#">Our Approach</a> , <a href="#">Human Rights</a> and <a href="#">Business Ethics</a> sections of this report and AIG's <a href="#">Employee Code of Conduct</a> |
|--------|--|--|



## Appendix C: GRI Index (continued)

| DISCLOSURE NUMBER                    | DISCLOSURE TITLE   | RESPONSE/REFERENCE   |
|--------------------------------------|--|--|
| <b>Governance</b>                    |  |  |
| 102-18                               | Governance structure   | See the <a href="#">ESG Governance Structure</a> section of this report and AIG's <a href="#">2023 Proxy Statement</a>   |
| 102-19                               | Delegating authority   | See the <a href="#">ESG Governance Structure</a> section of this report and AIG's <a href="#">2023 Proxy Statement</a>   |
| 102-20                               | Executive-level responsibility for economic, environmental, and social topics  | See the <a href="#">ESG Governance Structure</a> section of this report and AIG's <a href="#">2023 Proxy Statement</a>   |
| 102-29                               | Identifying and managing economic, environmental, and social impacts           | See the <a href="#">Types of Climate Risks</a> , <a href="#">Management of Climate-Related Risks</a> , <a href="#">Diversity, Equity and Inclusion</a> and <a href="#">Citizenship</a> sections of this report |
| <b>Stakeholder Engagement</b>        |  |  |
| 102-40                               | List of stakeholder groups   | See the <a href="#">Stakeholder Engagement</a> section of this report  |
| 102-43                               | Approach to stakeholder engagement   | See the <a href="#">Stakeholder Engagement</a> and <a href="#">Shareholder Engagement</a> sections of this report  |
| 102-44                               | Key topics and concerns raised   | See the <a href="#">Stakeholder Engagement</a> and <a href="#">Shareholder Engagement</a> sections of this report  |
| <b>Reporting Practice</b>            |  |  |
| 102-45                               | Entities included in the consolidated financial statements                     | See AIG's <a href="#">2022 Form 10-K</a>   |
| 102-46                               | Defining report content and topic boundaries                                   | See the <a href="#">About this Report</a> section of this report   |
| 102-47                               | List of material topics  | See the <a href="#">ESG Considerations</a> section of this report  |
| 102-50                               | Reporting period   | See the <a href="#">About this Report</a> section of this report   |
| 102-52                               | Reporting cycle  | Annual   |
| 102-53                               | Contact point for questions regarding the report                               | See the <a href="#">About this Report</a> section of this report   |
| 102-54                               | Claims of reporting in accordance with the GRI standards                       | See the <a href="#">About this Report</a> section of this report   |
| <b>GRI 201: Economic Performance</b> |  |  |
| 201-1                                | Direct economic value generated and distributed                                | See AIG's <a href="#">2022 Form 10-K</a>   |
| 201-2                                | Financial implications and other risks and opportunities due to climate change | See the <a href="#">Types of Climate Risks</a> and <a href="#">Management of Climate-Related Risks</a> sections of this report and AIG's <a href="#">2022 Form 10-K</a>  |





## Appendix C: GRI Index (continued)

| DISCLOSURE NUMBER                               | DISCLOSURE TITLE   | RESPONSE/REFERENCE  |
|---|--|---|
| <b>GRI 205: Anti-Corruption</b>                 |  |   |
| 205-1   | Operations assessed for risks related to corruption  | See the <a href="#">Business Ethics</a> section of this report and AIG's <a href="#">Employee Code of Conduct</a>                   |
| 205-2   | Communication and training about anti-corruption policies  | See the <a href="#">Business Ethics</a> section of this report and AIG's <a href="#">Employee Code of Conduct</a>                   |
| <b>GRI 305: Emissions</b>                       |  |   |
| 305-1   | Direct (Scope 1) GHG emissions   | See the <a href="#">GHG Footprint</a> section of this report  |
| 305-2   | Energy indirect (Scope 2) GHG emissions  | See the <a href="#">GHG Footprint</a> section of this report  |
| 305-3   | Other indirect (Scope 3) GHG emissions   | See the <a href="#">GHG Footprint</a> section of this report  |
| 305-5   | Reduction of GHG emissions   | See the <a href="#">GHG Footprint</a> section of this report  |
| <b>GRI 401: Employment</b>                      |  |   |
| 401-1   | New employee hires and employee turnover   | See the <a href="#">Talent</a> section of this report   |
| 401-2   | Benefits provided to full-time employees that are not provided to temporary or part-time employees | See the <a href="#">Well-being</a> section of this report   |
| 401-3   | Parental leave   | See the <a href="#">Well-being</a> section of this report   |
| <b>GRI 404: Training and Education</b>          |  |   |
| 404-1   | Average hours of training per year per employee  | See the <a href="#">Talent</a> section of this report   |
| 404-2   | Programs for upgrading employee skills and transition assistance programs                          | See the <a href="#">Talent</a> section of this report   |
| 404-3   | Percentage of employees receiving regular performance and career development reviews               | See the <a href="#">Talent</a> section of this report   |
| <b>GRI 405: Diversity and Equal Opportunity</b> |  |   |
| 405-1   | Diversity of governance bodies and employees   | See the <a href="#">Diversity, Equity and Inclusion</a> and <a href="#">Board Composition and Diversity</a> sections of this report |
| <b>GRI 415: Public Policy</b>                   |  |   |
| 415-1   | Political contributions  | See the <a href="#">Lobbying and Public Policy</a> section of this report   |



## Appendix D: UNGC Index

| UN GC PRINCIPLE        | DESCRIPTION  | REFERENCE   |
|------------------------|--|---|
| <b>Human Rights</b>    |  |   |
| Principle 1            | Businesses should support and respect the protection of internationally proclaimed human rights.                         | See the <a href="#">Human Rights</a> section of this report   |
| Principle 2            | Businesses should make sure that they are not complicit in human rights abuses.  | See the <a href="#">Human Rights</a> section of this report   |
| <b>Labor</b>           |  |   |
| Principle 3            | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. | See the <a href="#">Diversity, Equity and Inclusion</a> section of this report  |
| Principle 4            | Businesses should uphold the elimination of all forms of forced and compulsory labor.                                    | See the <a href="#">Human Rights</a> section of this report   |
| Principle 5            | Businesses should uphold the effective abolition of child labor.   | See the <a href="#">Human Rights</a> section of this report   |
| Principle 6            | Businesses should uphold the elimination of discrimination in respect of employment and occupation.                      | See the <a href="#">Human Rights</a> and <a href="#">Diversity, Equity and Inclusion</a> sections of this report  |
| <b>Environment</b>     |  |   |
| Principle 7            | Businesses should support a precautionary approach to environmental challenges.  | See the <a href="#">Our Approach</a> , <a href="#">Types of Climate Risks</a> , <a href="#">Management of Climate-Related Risks</a> and <a href="#">Our Clients</a> sections of this report |
| Principle 8            | Businesses should undertake initiatives to promote greater environmental responsibility.                                 | See the <a href="#">Our Approach</a> , <a href="#">Our Clients</a> and <a href="#">Our Environment</a> sections of this report  |
| Principle 9            | Businesses should encourage the development and diffusion of environmentally friendly technologies.                      | See the <a href="#">Products with Impact</a> section of this report   |
| <b>Anti-Corruption</b> |  |   |
| Principle 10           | Businesses should work against corruption in all its forms, including extortion and bribery.                             | See the <a href="#">Business Ethics</a> and <a href="#">Pro Bono</a> sections of this report  |



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