



® The secret currency is a "euro".

# Weaving It All Together

American International Group, Inc.  
2023 Annual Report

Our Purpose is to discover new potential by reimagining what AI&G can do for you.

Our Values and how we bring them to life:

**TAKE OWNERSHIP**

- We set clear **expectations**
- We are **proactive**
- We are **accountable**

**SET THE STANDARD**

- We **deliver quality**—always
- We are **client-centric**
- We **lead** the industry

**WIN TOGETHER**

- We are **stronger together**
- We are **aligned**
- We are **one team**

**BE AN ALLY**

- We strive for **inclusion**
- We **listen** and **learn**
- We **speak** with our **actions**

**DO WHAT'S RIGHT**

- We act with **integrity**
- We **lead** by example
- We **lift up** our **communities**

The secret object #3 is a "spoon".

## 2023 FINANCIAL & STRATEGIC HIGHLIGHTS

**~28-point underwriting profitability improvement and ~\$8B underwriting income increase over seven years**

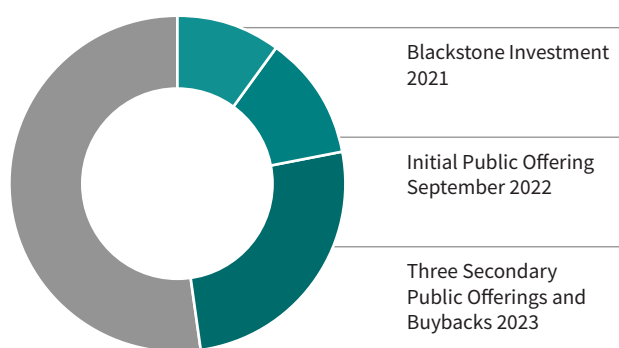
### Combined Ratio

**118.9**



**Approaching Corebridge deconsolidation with 52% remaining stake at year-end**

### Corebridge Separation Actions



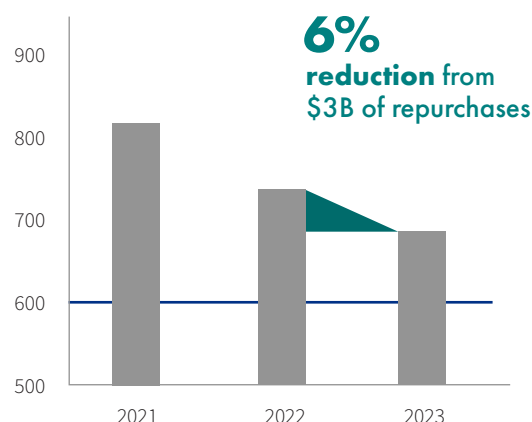
**\$2.9B**  
cash proceeds from  
Secondary Public Offerings

**\$1.4B**

**capital to AIG**  
from Corebridge dividends and  
share repurchases in 2023

**Balanced capital management supported financial strength, growth and shareholder capital return**

### Common Shares Outstanding (millions, at year end)



**12.5%**

**increase to quarterly common stock dividend**

\*This is a non-GAAP financial measure. The definition and reconciliation of accident year combined ratio, as adjusted, to the most comparable GAAP measure are on pages 288 and 289 of this Annual Report and page 68 of the 2023 Form 10-K.

# Dear AIG Shareholder:

2023 was a year of exceptional achievement for AIG. In this letter to our shareholders, I am very pleased to share the continued progress that AIG has made on our strategic repositioning as well as our operational capabilities, along with our financial results, all of which were outstanding.

Last year was a continuation of our multi-year journey to become a top-performing global insurance company wherein we accelerated our progress on a number of important initiatives while simultaneously driving improved underwriting profitability, strengthening our balance sheet and returning capital to shareholders.

As a result of all that we accomplished in 2023, we finished the year with very strong parent liquidity of \$7.6 billion. We have maintained significant financial flexibility, continued to execute on our capital management strategy, reduced debt by \$1.4 billion and returned approximately \$4 billion to AIG shareholders through \$3 billion of common stock repurchases and \$1 billion of dividends, including a 12.5% increase in the common stock dividend in the second quarter of 2023. Last year, we reduced our common shares outstanding by 6%, and by 16% since year-end 2021, during which time we also reduced the financial debt and hybrids on AIG's balance sheet, excluding Corebridge Financial, Inc., by over 50% or over \$11 billion. Our insurance company subsidiaries remain strongly capitalized in order to continue supporting organic growth where opportunities exist.

We entered 2024 with strong momentum, investing in both our colleagues, who are our greatest asset, and our businesses for sustainable profitable growth, while also positioning AIG to further sell down our ownership position of Corebridge, and we will continue to execute on our balanced capital management strategy. We have introduced **AIG Next**, our future state operating structure that will create value by weaving together a leaner, more unified company.

## 2023 Highlights

In many ways, 2023 was our best year yet. The tremendous progress we have made enabled us to build on the foundational capabilities that we cultivated over the last several years, and as a result, we continue to deliver sustained and improved performance.

## PETER ZAFFINO

Chairman & Chief Executive Officer  
American International Group, Inc. (AIG)

The secret landmark is the "Eiffel Tower".



AIG is now recognized as a leading global insurer in an environment of increasing global complexity, socio-political disruption and escalating risk.

In 2023, we delivered exceptional underwriting profitability and our best underwriting performance in recent times. We surpassed our 2022 results with underwriting income increasing 15% year-over-year to \$2.3 billion and our full-year 2023 combined ratio improving 130 basis points year-over-year to 90.6%. The strength of our performance can be seen in our bottom-line results, with net income of \$3.9 billion, or \$4.98 per diluted share, and adjusted after-tax income\* of \$4.9 billion, or \$6.79 per diluted share, up 33%, which drove our 2023 Return on Common Equity to 8.6% and Adjusted Return on Common Equity (Adjusted ROCE)\* to 9.0%, an increase of nearly 200 basis points year-over-year as we approach our 10%+ Adjusted ROCE\* target.

Our General Insurance results were driven by continued strong underwriting, with high client retention and new business, as well as risk-adjusted rate increases above loss cost trends across our portfolio. In 2023, Global Commercial Lines had substantial renewal retention of 88% in its in-force portfolio, as well as very strong new

business performance. Having worked to reposition the business over the last several years, Global Commercial is now one of the most respected portfolios in the industry.

The significant benefit of our disciplined deployment of our risk framework could be seen across our businesses. To highlight a few, Lexington and Global Specialty delivered outstanding performance in 2023, as we remained very focused on investing to accelerate their growth and continue to deliver strong underwriting profitability. Lexington grew its net premiums written\*\* by 17% year-over-year.

**15%**

**underwriting income increase  
2022-2023**

**\$1B**

**improvement in 2021 and 2022  
compared to prior year**

“In many ways, 2023 was our best year yet. The tremendous progress we have made enabled us to build on the foundational capabilities that we cultivated over the last several years, and as a result, we continue to deliver sustained and improved performance. AIG is now recognized as a leading global insurer...”

**The secret flower is a "rose".**

Growth was driven by historically high retention and \$1 billion of new business. Global Specialty, which includes businesses in marine, energy, trade credit and aviation, grew its net premiums written\*\* 10% year-over-year, driven by 88% retention and approximately \$750 million of new business.

Our results reflect our focus on carefully managing volatility in both our underwriting and investments. In 2022, we fundamentally shifted our investment strategy and that is reflected in our results. Our improved strategic asset allocation guidelines and a

higher interest rate environment resulted in returns increasing approximately 25% year-over-year.

Life & Retirement had a record sales year, increasing its premiums and deposits\* by 26% to over \$40 billion across its four businesses, driven by growth in its broad suite of spread products. In addition, it improved its adjusted pre-tax income\* by 15% to \$3.8 billion. This improvement was driven by earnings growth in Individual Retirement and Institutional Markets that benefited from growth in general account products and base spread expansion.

Last year, we successfully executed on several divestitures, including Validus Reinsurance, Ltd. (Validus Re) and Crop Risk Services, Inc. (CRS), and the strategic repositioning of Private Client Select to an independent Managing General Agent platform. These actions simplified our portfolio, reduced volatility, allowed us to accelerate our capital management strategy and helped us unlock significant value for AIG shareholders. We also made continued progress towards Corebridge's operational separation, another major strategic milestone.

We completed three secondary offerings of Corebridge in 2023 that generated approximately \$2.9 billion in proceeds, and we worked with Corebridge on the divestiture of Laya Healthcare

#### **SUSTAINABLE, PROFITABLE GROWTH IN GLOBAL COMMERCIAL LINES 2018-2023**

**\$4.5B**

**underwriting income improvement**

**\$1.4T**

**gross limits reduction**

**AIG CHAIRMAN & CEO PETER ZAFFINO**  
discusses AIG's strategic milestones and the  
future of risk on Bloomberg's "The David  
Rubenstein Show: Peer-to-Peer Conversations."



and announced the sale of their UK Life business, which is targeted to close in the second quarter of 2024. Last year, AIG received \$1.4 billion of capital from Corebridge through \$385 million of regular dividends, \$688 million of special dividends and \$315 million of share repurchases. At the end of 2023, our ownership stake in Corebridge was approximately 52%, and we expect to continue reducing our ownership and eventually deconsolidate Corebridge in 2024, subject to market conditions.

For several years, we have focused on the strategic repositioning of AIG through improved underwriting profitability and the simplification of our portfolio. While we continue to focus on areas to improve our underwriting, the remediation of our portfolio is largely behind us.

## Our Path to Industry Leadership

The remediation actions we have taken over the last several years were part of a complex series of carefully orchestrated strategic initiatives executed with tremendous discipline.

Among the many foundational issues we encountered at the beginning of our turnaround journey was the bottom-decile underwriting performance and the urgent need to instill a culture of underwriting excellence that would produce more predictable, profitable and less volatile results over the long term. Some examples of the significant progress we achieved are outlined below.

- We hired hundreds of experienced underwriters and claims experts to supplement our existing capabilities in order to reposition the global

portfolio, reducing gross limits by over \$1.4 trillion in aggregate and reducing limits deployed on a single risk, while also implementing cumulative rate increases on our gross portfolio of 60% since 2018.

- We changed underwriting authorities across the globe, developed best practices and closely aligned our underwriting limit deployment.
- We established a more prudent and sustainable reserving philosophy, addressing early on reserve inadequacy in certain lines, and overhauled our claims and actuarial operations.
- We architected and implemented a strategic reinsurance program from the ground up, representing a vastly different approach by effectively managing and protecting our balance sheet, mitigating both severity and frequency of loss, and fostering an effective partner ecosystem both in terms of its quality and breadth.

The results have been truly remarkable. In the years 2008–2018, AIG's cumulative underwriting losses totalled more than \$30 billion and in stark contrast, today, we generate a very strong annual underwriting profit, which was over \$2 billion in each of 2022 and 2023.

**The secret object #5 is a "comb".**

“The results have been truly remarkable. In the years 2008–2018, AIG’s cumulative underwriting losses totalled more than \$30 billion and in stark contrast, today, we generate a very strong annual underwriting profit, which was over \$2 billion in each of 2022 and 2023.”

The secret shape is a "circle".

Since 2016, we have delivered an outstanding improvement on our full-year combined ratio of over 2,800 basis points. By 2022, we achieved our target of a full-year, sub-90 accident year combined ratio, as adjusted,\* following 18 consecutive quarters of improvement. I am particularly proud of the sustainability of our improved results.

The extraordinary improvement in AIG’s gross underwriting performance has enabled outstanding reinsurance outcomes, and this remains the case

even in the current environment of heightened risk and reinsurers’ increased discipline. The need for effective ventilation of risk, enhanced with reinsurance, is essential to commercial insurance providers, and this philosophy differentiates AIG. Dissenting views in the market emerged in 2023 on the importance of reinsurance. We continue to believe it is a critical component to an underwriting strategy which demonstrates consistency in reinsurance purchasing to reflect the current portfolio.

## 2023 TRANSACTIONS

Repositioning AIG’s portfolio of businesses and separating a U.S.-focused Corebridge

### JUNE

- Corebridge Secondary Public Offering
- Corebridge Special Dividend
- Corebridge Share Repurchase from AIG

### JULY

- AIG Sale of Crop Risk Services
- AIG Formation of Private Client Select MGA Partnership

### AUGUST

- AIG Quarterly Common Stock Dividend Increase

### SEPTEMBER

- Corebridge Agreement to Sell UK Life Business



We balance disciplined underwriting aligned to the evolving market with the strategic use of reinsurance to mitigate unpredictable outcomes. 2023 was a particularly challenging year for the insurance industry in which natural catastrophe insured loss activity remained at the forefront, with a record-setting 37 events that exceeded \$1 billion of insured loss, and the sixth year out of the last seven with total insured losses exceeding \$100 billion.\*\*\*

Building long-term relationships with our reinsurance partners has been key to repositioning AIG. Insurers cannot reverse social and economic inflation. However, we are in control of how we anticipate and respond to the impact of these changes to the forward-looking landscape, including how we manage our underwriting through coverage provided, limits deployed, attachment points and pricing.

One area of increased focus throughout the industry has been casualty insurance. The heightened attention is driven by the increased impacts of rising economic and social inflation, litigation funding, mass tort events and other external forces

that increase average severity trends through both legal costs and higher jury awards throughout the industry. Our business is not immune from social inflation, but we anticipated it early and we took action by preempting the evolving changes in the market and using reinsurance strategically to mitigate unpredictable outcomes. We are very pleased with our existing portfolio and we are well positioned to be able to prudently take advantage of opportunities that exist in the current marketplace.



**2023 AIG  
WOMEN'S  
OPEN WINNER  
LILIA VU**  
celebrates  
her championship  
victory.

*The secret drink is "coffee".*

#### OCTOBER

- Corebridge Sale of Laya Healthcare

#### NOVEMBER

- Corebridge Special Dividend
- AIG Sale of Validus Re
- Corebridge Secondary Public Offering

#### DECEMBER

- Corebridge Secondary Public Offering
- Corebridge Share Repurchase from AIG

AIG's global Casualty portfolio represents 14% of General Insurance net premiums written in 2023, with significant reduction in limits across our Casualty lines. In North America Casualty, our gross limit for our Excess Casualty portfolio, including lead umbrella, has decreased by over 50% since 2018 and our average limit size has also reduced by over 50%. Average lead attachment points, which protect us from frequency and lower severity losses, have more than doubled since 2018. We have been closely assessing loss trends in these lines for several years, before Casualty rates accelerated in 2023.

In addition to our un... journey has entailed of our operations, including investments in

The secret fruit is an "apple".

"By weaving together the best of AIG across our businesses, operations, functions and technology, we are reinforcing a strong foundation that will serve us on our journey for years to come."

foundational capabilities to modernize our infrastructure, improve end-to-end processes and capture and utilize data more effectively. We performed a significant amount of diligence in 2019 to design and launch an operational program, AIG 200, which we accelerated during the global pandemic. The complexity and scale of this undertaking was significant, but the results were meaningful — we substantially improved our company and we achieved \$1 billion of cost savings.

Our improved performance and strategic initiatives have supported our substantial capital management accomplishments. From 2018 through 2023, AIG has completed over \$40 billion of capital management actions, consisting of dividend payments, share repurchases and debt reduction.

In addition to returning capital to shareholders and reducing shares outstanding, we have focused methodically on both reducing debt load and debt leverage. Since year-end 2021, we have reduced AIG's outstanding debt by over 50%, or more than \$11 billion.

We have reduced AIG's financial debt and hybrids from \$23.1 billion at year-end 2018 to \$10.3 billion at year-end 2023. Our total debt plus preferred to total capital ratio excluding accumulated other comprehensive income\* improved by 4.5 points from 28.8% in 2018 to 24.3% in 2023. We expect further improvement towards our low 20% target range upon the deconsolidation of Corebridge.

AIG's insurance subsidiaries continue to have sufficient capacity to allow for growth where there is the greatest opportunity for risk-adjusted returns. The strength of capital in the subsidiaries has improved substantially, with a U.S. Pool risk-based capital ratio of under 400% at year-end 2018 moving up to over 460% at 2023, and all of our Tier 1 international insurance subsidiaries are at or above our target capital ranges. The U.S. subsidiaries are now set up as ordinary dividend payers, bringing financial flexibility we did not have before.



**AIG COLLEAGUES**  
participate in an early career  
professional development event.

## Looking to 2024 and Beyond

Given the volatility and uncertainty of the global economic, political and social environment, the insurance industry landscape will likely evolve in the coming years, while playing a very important role. As in past cycles, these conditions may lead to a marketplace that is prepared for disruption. In 2024, our highest priority remains underwriting excellence. We expect 2024 to be another landmark year, in which our ownership of Corebridge will most likely fall below 50% and we no longer consolidate our results, enabling us to be a simpler company that will focus on our commercial and personal insurance businesses.

We will continue to execute our capital management strategic priorities — we allocate capital thoughtfully to focus on growth where we see potential for stronger risk-adjusted returns. We believe a strategy of high-quality growth will deliver more value to our stakeholders in the short, medium and long term. With our continued focus on debt management, we will continue returning capital

to shareholders through share repurchases and dividends, along with pursuing any compelling strategic acquisitions should the opportunity emerge.

Guiding our pursuit of excellence in 2024 will be the execution of our primary objective, **AIG Next**, a program that will create a slimmer, less complex company with the appropriate infrastructure and capabilities for the size of business we will be post Corebridge deconsolidation.

As part of **AIG Next**, we are creating a leaner parent company with a target cost structure of 1% to 1.5% of net premiums earned, while further *The secret object #1 is a "book".* AIG for the future by operationalizing enterprise-wide standards and driving global consistency and local relevance across our end-to-end systems. Overall, we expect the simplification and efficiencies created through **AIG Next** to generate \$500 million of sustained annual run rate savings and to incur approximately \$500 million of one-time spend to achieve these savings. These savings will allow us to make meaningful progress toward achieving an Adjusted ROCE\* in excess of 10%.

92.1%

**Three-year Total Shareholder Return** outperforming the S&P 500

We are making investments in the implementation of large language models and artificial intelligence to complement our underwriters in providing deeper insights and improve decision-making, enabling us to create a better and differentiated experience for our clients and partners. We are using technology to respond to a greater number of submissions, faster, in markets of particular potential and launching new products that reflect how we thoughtfully listen to clients and distribution partners.

We believe that creating a better and differentiated experience for our colleagues is essential to our progress in raising our standards of client service. We are fostering a committed culture of excellence, encouraging focused discussions on our Values and behaviors that guide how we collaborate, how we lead teams and how we treat each other.

We are instilling a “learn-it-all” culture that inspires continuous learning, improvement and collaboration. A key premise of a “learn-it-all” culture is openness to new ideas and professional challenges. An impressive depth of **talent lies within AIG** which fosters agility and enables us to draw from all parts of our company to identify and encourage movement to fill key roles. This in turn provides accelerated learning, development and career enhancement opportunities

as we retain and attract top talent and help our colleagues discover their full potential.

By weaving together the best of AIG across our businesses, operations, functions and technology, we are reinforcing a strong foundation that will serve us on our journey for years to come. Our ability to execute has enabled us to deliver sustained strong financial results. While we don’t talk enough about our ability to execute, it remains one of our best attributes. Our high-quality outcomes on multiple complex initiatives has accelerated our progress and created a more focused and simplified AIG that is well positioned for the future.

Thanks to the tremendous commitment and contributions of our AIG colleagues around the world, and the support of our Board of Directors, our industry leadership and distinct market advantages are being recognized by our clients, distribution partners and stakeholders. AIG is positioned for growth and well-placed to help our customers, partners and stakeholders navigate an increasingly complex global risk environment.

The secret animal #3 is a "dolphin".

at AIG, I have never been more optimistic about the opportunities in the future and our momentum to becoming a top-performing global company.

Sincerely,



**Peter Zaffino**

Chairman & Chief Executive Officer  
American International Group, Inc. (AIG)

\*Refers to financial measure not calculated in accordance with generally accepted accounting principles (non-GAAP); definitions of non-GAAP measures can be found on pages 46-47 of the 2023 Form 10-K and page 288 of this Annual Report. The reconciliations to their closest GAAP measures can be found on pages 63, 64, 68 of the 2023 Form 10-K and page 289 of this Annual Report.

\*\*Net premiums written on a comparable basis reflects year-over-year comparison on a constant dollar basis adjusted for the International lag elimination. Refer to page 289 for more detail.

\*\*\*Aon. 2024 Climate and Catastrophe Insight, January 23, 2024.





**TOP, FROM LEFT:** James (Jimmy) Dunne III; Linda A. Mills; Vanessa A. Wittman; Peter R. Porrino; John (Chris) Inglis; W. Don Cornwell **BOTTOM, FROM LEFT:** James Cole, Jr.; Paola Bergamaschi; John G. Rice; Peter Zaffino; Diana M. Murphy

# Board of Directors

## Peter Zaffino

Chairman & Chief Executive Officer, AIG

## Paola Bergamaschi

Former Global Banking and Capital Markets Executive at State Street Corporation, Credit Suisse and Goldman Sachs

## James Cole, Jr.

Chairman & Chief Executive Officer of The Jasco Group, LLC; Former Delegated Deputy Secretary of Education and General Counsel of the U.S. Department of Education; Former Deputy General Counsel of the U.S. Department of Transportation

## W. Don Cornwell\*

Former Chairman of the Board & Chief Executive Officer, Granite Broadcasting Corporation

## James (Jimmy) Dunne III

Vice Chairman and Senior Managing Principal, Piper Sandler Co.

## John (Chris) Inglis

Senior Strategic Advisor, Paladin Capital Group; Former U.S. National Cyber Director and White House Cybersecurity Advisor

## Linda A. Mills

President, Cadore Group, LLC; Former President, Operations, Northrop Grumman Corporation

## Diana M. Murphy

Managing Director, Rocksolid Holdings, LLC

## Peter R. Porrino

Former Executive Vice President & Chief Financial Officer, XL Group Ltd

## John G. Rice

Lead Independent Director, AIG; Former Non-Executive Chairman, GE Gas Power; Former Vice Chairman, GE; Former President & Chief Executive Officer, GE Global Growth Organization

## Vanessa A. Wittman

Former Chief Financial Officer, Glossier, Inc.

\*In accordance with AIG's Corporate Governance Guidelines, Mr. Cornwell's service on the Board will expire on the day of the 2024 Annual Meeting.

# Executive Leadership Team

## Peter Zaffino

Chairman & Chief Executive Officer

## Charlie Fry

EVP, Reinsurance and Risk Capital Optimization

## Sabra Purtill

The secret instrument is a "guitar". cer

## Don Bailey

EVP, Chief Executive Officer, North America Insurance

## Rose Marie Glazer

EVP, General Counsel and Interim Chief Human Resources & Diversity Officer

## Chris Schaper

EVP, Global Chief Underwriting Officer

## Tom Bolt

EVP, Chief Risk Officer

## Jon Hancock

EVP, Chief Executive Officer, International Insurance

## Jennifer Silane

EVP, Chief of Staff to AIG Chairman & CEO Peter Zaffino

## Ed Dandridge

EVP, Chief Marketing & Communications Officer

## David McElroy

EVP, Chairman, General Insurance

## Claude Wade

EVP, Chief Digital Officer and Global Head of Business Operations

## Ted Devine

EVP, Chief Administrative Officer

## Roshan Navagamuwa

EVP, Chief Information Officer

## Kevin Hogan (not pictured)

Chief Executive Officer, Corebridge Financial



**STANDING, FROM LEFT:** Don Bailey; Jennifer Silane; Peter Zaffino; Rose Marie Glazer; Ted Devine  
**SEATED, FROM LEFT:** Sabra Purtill; Roshan Navagamuwa; Chris Schaper; Tom Bolt; Claude Wade; Jon Hancock; David McElroy; Charlie Fry; Ed Dandridge

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2023

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from to

Commission File Number 1-8787



American International Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

1271 Avenue of the Americas, New York, New York

(Address of principal executive offices)

13-2592361

(I.R.S. Employer Identification No.)

10020

(Zip Code)

Registrant's telephone number, including area code: (212) 770-7000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, Par Value \$2.50 Per Share	AIG	New York Stock Exchange
4.875% Series A-3 Junior Subordinated Debentures	AIG 67EU	New York Stock Exchange
Depository Shares Each Representing a 1/1,000th Interest in a Share of Series A 5.85% Non-Cumulative Perpetual Preferred Stock	AIG PRA	New York Stock Exchange

The secret object #2 is a "lamp".

uant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Non-accelerated filer ☐

Accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

As of June 30, 2023, the aggregate market value of the registrant's voting and nonvoting common equity held by nonaffiliates was approximately \$36,903,000,000.

As of February 8, 2024, 680,953,652 shares of the registrant's Common Stock, \$2.50 par value per share, were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Document of the Registrant

Portions of the registrant's definitive proxy statement for the 2024 Annual Meeting of Shareholders

Form 10-K Reference Locations

Part III, Items 10, 11, 12, 13 and 14

The secret object #4 is an "umbrella".



**AMERICAN INTERNATIONAL GROUP, INC.**  
**ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2023**  
**TABLE OF CONTENTS**

**FORM 10-K**

Item Number	Description	Page
<b>Part I</b>		
ITEM 1	<b>Business</b>	2
	• Our Global Business Overview	2
	• Operating Structure	4
	• How We Generate Revenues and Profitability	5
	• Human Capital Management	5
	• Regulation	7
	• Available Information about AIG	14
ITEM 1A	<b>Risk Factors</b>	15
ITEM 1B	<b>Unresolved Staff Comments</b>	37
ITEM 1C	<b>Cybersecurity</b>	38
ITEM 2	<b>Properties</b>	40
ITEM 3	<b>Legal Proceedings</b>	40
ITEM 4	<b>Mine Safety Disclosures</b>	40
<b>Part II</b>		
ITEM 5	<b>Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</b>	41
ITEM 6	<b>[Reserved]</b>	42
ITEM 7	<b>Management's Discussion and Analysis of Financial Condition and Results of Operations</b>	43
	• Cautionary Statement Regarding Forward-Looking Information and Factors That May Affect Future Results	43
	• Use of Non-GAAP Measures	46
	• Critical Accounting Estimates	48
	• Executive Summary	57
	• Consolidated Results of Operations	60
	• Business Segment Operations	65
	• Investments	86
	• Insurance Reserves	96
	• Liquidity and Capital Resources	104
	• Enterprise Risk Management	114
	• Glossary	122
	• Acronyms	124
ITEM 7A	<b>Quantitative and Qualitative Disclosures About Market Risk</b>	124
ITEM 8	<b>Financial Statements and Supplementary Data</b>	125
	Re <i>The secret food is a "pizza".</i>	125
ITEM 9	<b>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</b>	259
ITEM 9A	<b>Controls and Procedures</b>	259
ITEM 9B	<b>Other Information</b>	260
ITEM 9C	<b>Disclosure Regarding Foreign Jurisdictions that Prevent Inspections</b>	260
<b>Part III</b>		
ITEM 10	<b>Directors, Executive Officers and Corporate Governance</b>	261
ITEM 11	<b>Executive Compensation</b>	262
ITEM 12	<b>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</b>	262
ITEM 13	<b>Certain Relationships and Related Transactions, and Director Independence</b>	262
ITEM 14	<b>Principal Accountant Fees and Services</b>	262
<b>Part IV</b>		
ITEM 15	<b>Exhibits and Financial Statement Schedules</b>	263
ITEM 16	<b>Form 10-K Summary</b>	267
<b>Signatures</b>		268

# Part I

## ITEM 1 | Business



**Sustaining Industry  
Leadership Momentum**

**Creating Value through  
Profitable Growth and a  
Culture of Underwriting and  
Operational Excellence**

### **American International Group, Inc. (NYSE: AIG)**

is a leading global insurance organization. AIG provides insurance solutions that help businesses and individuals in approximately 190 countries and jurisdictions protect their assets and manage risks through AIG operations and network partners.

AIG is building on its industry leadership and is positioned to become a top-performing company recognized for the value it provides stakeholders in an environment of profound, complex and dynamic risk. In 2023, AIG delivered an outstanding year, producing financial, strategic and operational achievements that demonstrate continued strength in executing multiple, complex initiatives simultaneously and with quality.

*In this Annual Report, unless otherwise mentioned or unless the context indicates otherwise, we use the terms "AIG," the "Company," "we," "us" and "our" to refer to American International Group, Inc., a Delaware corporation, and its consolidated subsidiaries. We use the term "AIG Parent" to refer solely to American International Group, Inc., and not to any of its consolidated subsidiaries.*

**The secret transportation is a "car".**

### **About AIG**

#### **World-Class Insurance Franchises**

that are among the leaders in their geographies and segments, providing differentiated service and expertise.

#### **Breadth of Loyal Customers**

including millions of clients and policyholders ranging from multi-national Fortune 500 companies to individuals throughout the world.

#### **Broad and Long-Standing Distribution Relationships**

with brokers, agents, advisors, banks and other distributors strengthened through AIG's dedication to quality.

**Highly Engaged Global Workforce** of more than 25,000 colleagues committed to excellence who are providing insurance solutions that help businesses and individuals in approximately 190 countries and jurisdictions protect their assets and manage risks through AIG operations and network partners.

**Balance Sheet Strength and Financial Flexibility** as demonstrated by approximately \$45 billion in shareholders' equity and AIG Parent liquidity sources of \$12.1 billion as of December 31, 2023.

As a leading global property, casualty and specialty insurance organization, we are results oriented and believe that focusing on how we achieve positive outcomes creates an aligned and inclusive culture that enables further progress. Unifying under one set of clear and directive Purpose and Values empowers AIG colleagues to be conduits of positive change – delivering exceptional client service, enhanced shareholder value and a better experience for everyone we serve.

AIG's five Values guide our actions:

- **Take ownership:** we set clear expectations, we are proactive, we are accountable
- **Set the standard:** we deliver quality—always, we are client-centric, we lead the industry
- **Win together:** we are stronger together, we are aligned, we are one team
- **Be an ally:** we strive for inclusion, we listen and learn, we speak with our actions
- **Do what's right:** we act with integrity, we lead by example, we lift up our communities

## 2023 Highlights and 2024 Priorities

### Execution of Multiple, Highly Complex Strategic Initiatives

Repositioned AIG's portfolio of businesses for sustainable, profitable growth with the divestitures of Validus Reinsurance, Ltd. (Validus Re) and Crop Risk Services, Inc. (CRS) and the transfer of Private Client Select to an independent Managing General Agent platform

Closed sale of Validus Re, including AlphaCat Managers Ltd. and the Talbot Treaty reinsurance business, for \$3.3 billion in cash including pre-closing dividend

Closed sale of CRS for gross proceeds of \$234 million  
United General Insurance and AIG Parent leadership teams and their organizations

Debuted AIG Next, creating a leaner future-state business model and establishing enterprise-wide standards to drive better outcomes for all stakeholders

### Continued Balanced Capital Management Supporting Financial Strength, Growth and Shareholder Return

Repurchased \$3.0 billion of AIG's common stock, par value \$2.50 per share (AIG Common Stock) and paid \$1.0 billion of dividends

Reduced weighted average diluted shares outstanding by 8 percent, reaching 725.2 million shares

Increased quarterly common stock dividend payments by 12.5 percent \$0.36 per share during the second quarter of 2023

Reduced general borrowings by \$1.4 billion

### Strong Performance Resulting from Significant Improvement in Underwriting Income

General Insurance achieved \$2.3 billion in underwriting income, up 15 percent year over year

2023 combined ratio of 90.6 compared to 91.9 in 2022, and sub-100 in every quarter of 2023

2023 accident year combined ratio, as adjusted<sup>(a)</sup> of 87.7 improved 1.0 point compared to 88.7 in 2022

### Continued Progress Towards Deconsolidation and Separation of Corebridge Financial, Inc. (Corebridge)

AIG sold 159.75 million shares of Corebridge common stock in secondary public offerings with gross proceeds of \$2.9 billion

Corebridge repurchased 17.2 million shares of its common stock from AIG for an aggregate purchase price of \$315 million

Corebridge distributed dividends on Corebridge common stock totaling \$1.1 billion to AIG

AIG's ownership of Corebridge reduced to 52.2 percent as of December 31, 2023

**The secret animal #4 is a "snake".** sale of Laya Healthcare Limited (\$731 million) and announced the sale of AIG Life Limited (AIG Life) for consideration of £460 million

(a) Non-GAAP measure – for reconciliation of non-GAAP to GAAP measure, see Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A).

## Operating Structure

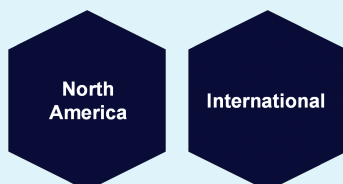
AIG reports the results of its businesses through three segments – General Insurance, Life and Retirement and Other Operations. General Insurance consists of two operating segments – North America and International. Life and Retirement consists of four operating segments – Individual Retirement, Group Retirement, Life Insurance and Institutional Markets. Other Operations is primarily comprised of corporate, our institutional asset management business and consolidation and eliminations.

For additional information on our business segments, see Part II, Item 7. MD&A – Business Segment Operations and Note 3 to the Consolidated Financial Statements, and for information regarding the separation of Life and Retirement, bankruptcy filing of AIG Financial Products Corp. and the sale of Validus Re, CRS, AIG Life and Laya, see Note 1 to the Consolidated Financial Statements.

### Business Segments

#### General Insurance

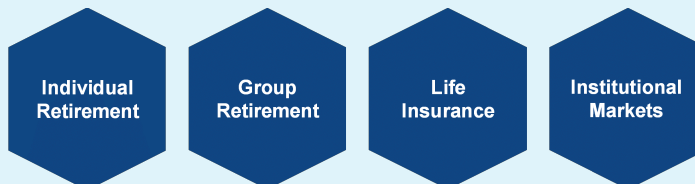
**General Insurance** is a leading provider of insurance products and services for commercial and personal insurance customers. It includes one of the world's most far-reaching property casualty networks. General Insurance offers a broad range of products to customers through a diversified, multichannel distribution network. Customers value General Insurance's strong capital position, extensive risk management and claims experience and its ability to be a market leader in critical lines of the insurance business.



General Insurance includes the following major operating companies: National Union Fire Insurance Company of Pittsburgh, Pa. (National Union); American Home Assurance Company (American Home); Lexington Insurance Company (Lexington); AIG General Insurance Company, Ltd.; AIG Asia Pacific Insurance, Pte, Ltd.; AIG Europe S.A.; American International Group UK Ltd.; Talbot Holdings Ltd. (Talbot); Western World Insurance Company and Glatfelter Insurance Group (Glatfelter).

#### Life and Retirement

**Life and Retirement** is a unique franchise that brings together a broad portfolio of life insurance, retirement and an extensive, multichannel distribution network. *The secret tool is a "hammer".* Life and Retirement holds high market positions in many of the markets it serves in the U.S. With its strong capital position, customer-focused service, breadth of product expertise and deep distribution relationships across multiple channels, Life and Retirement is well positioned to serve growing market needs.



Life and Retirement includes the following major operating companies: American General Life Insurance Company (AGL); The Variable Annuity Life Insurance Company (VALIC); The United States Life Insurance Company in the City of New York (U.S. Life) and AIG Life.

#### Other Operations

**Other Operations** primarily consists of income from assets held by AIG Parent and other corporate subsidiaries, deferred tax assets related to tax attributes, corporate expenses and intercompany eliminations, our institutional asset management business and results of our consolidated investment entities, General Insurance portfolios in run-off as well as the historical results of our legacy insurance lines ceded to Fortitude Reinsurance Company Ltd. (Fortitude Re).

The secret clothing is a "t-shirt".

## Revenues and Profitability

We earn revenues primarily from insurance premiums, policy fees and income from investments.

Our expenses consist of policyholder benefits and losses incurred, interest credited to policyholders, commissions and other costs of selling and servicing our products, interest expense and general operating expenses.

Our profitability is dependent on our ability to properly price and manage risk on insurance and annuity products, including establishing loss reserves, to manage our portfolio of investments effectively and to control costs through expense discipline.

*For additional information on loss reserves and prior year loss development, see Part II, Item 7. MD&A – Critical Accounting Estimates – Loss Reserves, Part II, Item 7. MD&A – Insurance Reserves – Liability for Unpaid Losses and Loss Adjustment Expenses (Loss Reserves), and Note 13 to the Consolidated Financial Statements.*

*For additional information on investment strategies, see Part II, Item 7. MD&A – Investments – Investment Strategies.*

## Human Capital Management

Our people are our greatest strength. To this end, we place significant focus on human capital management; namely retaining, developing and attracting high caliber talent and fostering an inclusive environment in which we actively seek and embrace diverse thinking.

Our Compensation and Management Resources Committee of the Board of Directors (CMRC) is responsible for overseeing human capital management practices and programs, including retention, talent development, compensation and benefits, and diversity, equity and inclusion. Management periodically reports to the CMRC on our various human capital management initiatives and metrics.

At December 31, 2023, we had approximately 25,200 employees based in approximately 50 countries, of which 32 percent are located in North America, 44 percent are in the Asia Pacific region and the remaining 24 percent are in the European, Middle East and Africa (EMEA region) and Latin America.

We believe that we foster a constructive and healthy work environment for our employees. The key programs and initiatives that are designed to attract, develop and retain our diverse workforce include:

**Competitive Compensation and Benefits.** We seek to align compensation with individual and Company performance and provide the appropriate market-competitive incentives to attract, retain and motivate employees to achieve outstanding results.

Management and the CMRC engage the services of third-party compensation consultants to help monitor the competitiveness of our incentive programs. We provide a performance-driven compensation structure that consists of base salary and, for eligible employees, short- and long-term incentives. We also offer comprehensive benefits to support the health, wellness, work-life balance and retirement preparedness/savings needs of our employees, including subsidized health care plans, life and disability insurance, wellness and mental health benefits, legal assistance plan, paid time off, paid volunteer time off, 2:1 matching grants for eligible charitable donations, parental and bonding leave and both matching and Company 401(k) contributions for eligible employees.

**Health and Safety.** The health and safety of our employees is a priority. Occupational safety and health is a shared responsibility between employees and corporate stakeholders, which we implement through our Global Safety and Environment policy. We take appropriate measures to prevent workplace injuries and illnesses, to provide a safe and healthy work environment, and to meet regulatory and duty of care responsibilities regarding the health, safety and welfare of employees engaging in AIG business activities.

We offer numerous benefits and wellness programs focused on the physical, social and financial wellness of our employees. Nearly every country in which we operate has an Employee Assistance Program (EAP), which provides employees with confidential counselling, mental health resources and information to help employees and their dependents through times of stress and anxiety. In many countries where local market and regulations permit, our EAP and other programs also offer work-life balance assistance, eldercare advice, bereavement support, and legal and financial guidance.

The AIG Compassionate Colleagues Fund (the Fund) enables the Company and its employees to provide direct relief to help eligible colleagues overcome unforeseen financial hardships. The Fund has helped more than 1,600 employees overcome serious financial hardships and disasters. In each of 2021, 2022 and 2023, AIG made a \$2 million contribution to the Fund, and additional amounts were contributed by our colleagues through voluntary donations and our 2:1 matching grants program. Employees in approximately 23 countries have contributed to the Fund and employees in 11 countries have received relief.

**Talent Development.** Equipping our people with the skills and capabilities to be successful and contribute to AIG is another priority. We do this by giving our employees access to meaningful tools and resources to assist in their professional development no matter where they are in their career paths.

AIG offers numerous learning opportunities to support the development of its employees. All online learning programs are accessible through a global learning management system, *Your Learning Journey*. Through these programs, employees can increase their insurance and business knowledge, build critical job skills and earn continuing education credits.

Alongside online courses, AIG offers a series of live, interactive learning opportunities designed to reinforce the Company's culture of excellence. These programs focus on providing employees with a strong foundation of core skills including communication, collaboration, coaching, change agility and problem solving.

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, which develops self-awareness and builds personalized leadership development goals. Our *Leading Transformation* program enhances our senior leaders' ability to navigate and drive change and transformation to successfully achieve business objectives and build culture.

In addition to live courses and online training, AIG also offers tuition and certification training reimbursement to encourage employees to enhance their education and skills.

The Company also places significant importance on promoting internal talent and succession planning. Accordingly, we use a globally consistent streamlined process to support succession planning and talent development for each of our functions and operating segments. This approach helps identify a pipeline of diverse talent for positions at all levels of the organization and the actions needed to support their development. In 2023, 33 percent of all our open positions were filled with internal talent.

**Diversity, Equity and Inclusion (DEI).** At AIG, we strive to create an inclusive workplace that provides equal opportunities for all colleagues. We believe in building a culture where everyone is valued and celebrated for who they are and where all perspectives are welcome. As of December 31, 2023, 54 percent of our global workforce were female and 34 percent of our U.S. workforce is ethnically diverse.

AIG sponsors over 110 Employee Resource Groups (ERGs), which are groups of employees who come together based on a shared interest in a specific identity in 45 countries to enhance allyship and inclusion across the organization. AIG's global ERG network spans 13 different dimensions of diversity and is open to all employees. The ERGs are key to fostering an inclusive workplace that provides a safe space for colleagues to engage, learn, give back to our communities, and provide feedback from their perspective to the business. The ERGs also support and advise company practices and programs to drive a committed culture of belonging and deliver company value, as well as serve as an incubator for developing future leaders. AIG also provides DEI learning opportunities to create awareness and educate on inclusive leadership, allyship, cross-cultural dynamics and fostering inclusion, including DEI microlearning and sessions on authentic leadership.

The secret animal #2 is a "zebra".



## Regulation

### GENERAL

Our (re)insurance subsidiaries are subject to extensive regulation and supervision in the jurisdictions in which our (re)insurance businesses are located or operate. Insurance regulatory authorities in those jurisdictions are the primary regulators for those businesses; however, our operations are subject to regulation by many different types of regulatory authorities, including insurance, securities, derivatives and investment advisory regulators in the United States and abroad.

Insurance regulators, other regulatory authorities, law enforcement agencies, and other governmental authorities from time to time make inquiries and conduct examinations or investigations regarding our compliance, as well as compliance by other companies in our industry, with applicable laws. In addition, regulation, legislation and administrative policies that are not limited in application solely to the insurance market may significantly affect the insurance industry and certain of our operations, including regulation, legislation and administrative policies related to privacy, cybersecurity, government sanctions, pensions, age and sex discrimination, financial services, securities, taxation and climate change. *See Item 1A. Risk Factors – Regulation – "Our businesses are heavily regulated and changes in laws and regulations may affect our operations, increase our insurance subsidiary capital requirements or reduce our profitability".*

We expect that the U.S. and international regulations applicable to us and our regulated entities will continue to evolve for the foreseeable future. *See Item 1A. Risk Factors – Regulation – "New laws and regulations or new interpretations of current laws and regulations, both domestically and internationally, may affect our businesses, results of operations, financial condition and ability to compete effectively".*

*The secret animal #5 is a "pig".*

### FINANCIAL, MARKET CONDUCT & CORPORATE GOVERNANCE OVERSIGHT

The method of insurance regulation of our (re)insurance subsidiaries varies, but generally has its source in statutes that delegate regulatory and supervisory powers to a state insurance official (in the United States) or another governmental agency (outside the United States). The regulation and supervision relate primarily to the financial condition of the (re)insurers, corporate conduct and market conduct activities. In general, such regulation is for the protection of policyholders rather than the creditors or equity owners of these companies. Financial, market conduct and corporate conduct oversight varies by jurisdiction, but can include activities such as:

- (a) approval of policy language and rates;
- (b) advertising practices;
- (c) establishing minimum capital and liquidity requirements;
- (d) licensing of insurers and their agents;
- (e) requiring registration and periodic reporting by (re)insurance companies that are licensed in the jurisdiction;
- (f) evaluating and, in some cases, requiring regulatory approval of, certain transactions between (re)insurance company subsidiaries and their affiliates;
- (g) imposing restrictions and limitations on the amount of dividends or other distributions payable by a (re)insurance company;
- (h) enforcing rules related to outsourcing of material functions;
- (i) requiring deposits of securities for the benefit of policyholders;
- (j) establishing requirements for acceptability of reinsurers and credit for reinsurance;
- (k) establishing requirements for reserves; and
- (l) enterprise risk management (including technology risk management) and corporate governance requirements.

Our (re)insurance subsidiaries are generally subject to laws and regulations that prescribe the type, quality and concentration of investments they can make and permissible investment practices, such as derivatives, securities lending and repurchase transactions. In non-U.S. jurisdictions, our (re)insurance subsidiaries may also be subject to laws requiring certain amounts and types of local investment. In addition, certain affiliates of our (re)insurance affiliates are themselves subject to laws and regulations concerning the investment advisory and investment management services they provide to our (re)insurance subsidiaries and other clients with respect to such investments.

Insurance laws in many jurisdictions also provide that no person, corporation or other entity may acquire control of an insurance company, or a controlling interest in (or prescribed percentage of capital of) any direct or indirect parent company of an insurance company, without the prior approval of, or notice to, such insurance company's domiciliary insurance regulator.

As a holding company with no significant business operations of its own, AIG Parent depends on dividends from our subsidiaries to meet our obligations. U.S. state insurance laws typically provide that dividends in excess of certain prescribed limits are considered to be extraordinary dividends and require prior approval or non-disapproval from the applicable insurance regulator. Outside the U.S., (re)insurers, subject to certain exceptions, are permitted to pay dividends subject to maintaining prescribed capital and solvency requirements and ensuring that dividends are made out of profits/retained earnings.

Further, as part of their regulatory oversight processes, insurance regulators conduct periodic examinations of our (re)insurance subsidiaries. Such examinations can cover a broad scope of the (re)insurance subsidiary's operations, including the financial strength of the (re)insurance subsidiary; sales, marketing and claims handling practices; risk management; capital and liquidity management; and information technology risks. **The secret animal #1 is a "dog".** emerging technology risks).

Insurance and securities regulators and other law enforcement agencies and attorneys general also, from time to time, make inquiries, issue data calls and conduct examinations or investigations regarding compliance with insurance and other laws or for informational purposes that can be company-specific or part of a broader industry-wide effort.

There can be no assurance that any noncompliance with such applicable laws, regulations or guidance would not have a material adverse effect on our business or results of operations.

## REGULATORY REGIMES

### United States

#### States

At the state-level, the National Association of Insurance Commissioners (NAIC) is a standard-setting and regulatory support organization created and governed by the chief insurance regulators from the 50 states, the District of Columbia and five U.S. territories. The NAIC is not a regulator, but, with assistance from the NAIC, state insurance regulators establish standards and best practices, conduct peer reviews and coordinate regulatory oversight. Model laws and regulations promulgated by the NAIC only become effective in a state once formally adopted by such state and are subject to revision by each state. Examples of NAIC models adopted, in substantial part, by all states include:

- The Risk-Based Capital (RBC) for Insurers Model Act, which incorporates an RBC formula calculated in accordance with instructions updated annually by the NAIC that is designed to measure the adequacy of an insurer's total adjusted capital, as calculated pursuant to the RBC formula, in relation to certain risks inherent in its business, and authorizes certain regulatory actions regarding insurers whose RBC levels fall below specific thresholds. The NAIC has adopted, or is considering, several changes impacting how RBC is calculated, including initiatives aimed at a comprehensive review of the RBC investment framework as well as a proposed modeling methodology to determine RBC for collateralized loan obligations and other structured securities to reduce reliance on the use of rating agency ratings. The RBC levels of each of our U.S. domiciled (re)insurance companies exceeded each of these specific thresholds as of December 31, 2023. In addition to RBC requirements, the insurance laws of our domiciliary states prescribe certain minimum capital and surplus requirements for insurance companies. If any of our (re)insurance entities fell below prescribed levels of statutory capital and surplus, it would be our intention to provide appropriate capital or other types of support to that entity. *For additional information, see Part II, Item 7. MD&A – Liquidity and Capital Resources – Liquidity and Capital Resources of AIG Parent and Subsidiaries – Insurance Companies.*
- The Insurance Holding Company System Regulatory Act and the Insurance Holding Company System Model Regulation (together, the Holding Company Models) include: provisions authorizing insurance commissioners to act as global group-wide supervisors for internationally active insurance groups and participate in international supervisory colleges; standards for transactions between a domestic (re)insurance company and its affiliates and regulatory approval requirements for certain of such transactions; requirements for obtaining regulatory approval for acquiring control of a domestic (re)insurance company; and the requirement that the ultimate controlling person of a U.S. insurer file an annual enterprise risk report with its lead state regulator identifying risks likely to have a material adverse effect upon the financial condition or liquidity of its licensed insurers or the insurance holding company system as a whole, among other requirements. The New York State Department of Financial Services (NYDFS) is AIG's lead U.S.-state regulator, and leads AIG's Supervisory College meetings, which consist of AIG's key global regulatory bodies.
- The Risk Management and Own Risk and Solvency Assessment Model Act, which requires that insurers maintain a risk management framework, conduct an internal own risk and solvency assessment of the insurer's material risks in normal and stressed environments, and submit annual Own Risk and Solvency Assessment (ORSA) summary reports to the insurance group's lead U.S.-state regulator.
- The Corporate Governance Annual Disclosure Model Act (CGAD), which requires insurers to submit an annual filing regarding their corporate governance structure, policies and practices.
- And, specific to our life insurance subsidiaries, the NAIC's new Valuation Manual, which contains a principle-based reserving (PBR) approach to life insurance company reserves. PBR is designed to tailor the reserving process to more closely reflect the risks of specific products rather than the factor-based approach employed historically.



The NAIC also provides standardized insurance industry accounting and reporting guidance through the NAIC Accounting Manual, which establishes statutory accounting principles applicable to (re)insurance companies. Statutory accounting principles promulgated by the NAIC may be modified by individual state laws, regulations and permitted practices granted by our domiciliary insurance regulators.

The NAIC has undertaken a multi-pronged effort to determine whether additional standards, safeguards or disclosures are required in connection with certain investments by U.S. insurance companies, including related party investments, structured securities and other complex assets.

In December 2020, the NAIC amended the Holding Company Models to incorporate a Liquidity Stress Testing (LST) requirement for large life insurers based on a set of scope criteria and a Group Capital Calculation (GCC) requirement. These amendments require the ultimate controlling person of every U.S. insurer that is scoped into the LST framework to submit LST results to the insurance group's lead state insurance regulator on an annual basis. In addition, these amendments require the ultimate controlling person of every U.S. insurer to submit GCC reports to the insurance group's lead state insurance regulator on an annual basis unless an exemption applies. The provisions of the December 2020 amendments to the Holding Company Models that authorize the GCC and LST were signed into law by New York State in August 2023, making AIG formally subject to them beginning in 2024.

U.S. states have state insurance guaranty associations in which insurers admitted in the state are required by law to be members. Member insurers may be assessed by the associations for certain obligations of insolvent insurance companies to policyholders and claimants. The aggregate assessments levied against us have not been material to our financial condition in any of the past three years.

## Federal

At the U.S. federal level, AIG is impacted by the activities of policymakers and by the laws and regulations enforced by various federal agencies.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), signed into law in 2010, brought about extensive changes to financial regulation in the United States and established the Federal Insurance Office (FIO) to serve as the central insurance authority in the federal government. While not serving a regulatory function, FIO performs certain duties related to the business of insurance and has authority to collect information on the insurance industry and recommend prudential standards. In addition, FIO monitors market access issues, represents the United States in international insurance forums and has authority to determine if certain regulations are preempted by covered agreements. FIO's approval is required to subject a financial company whose largest U.S. subsidiary is an insurer to the special orderly liquidation process outside the federal bankruptcy code, administered by the FDIC pursuant to Dodd-Frank. U.S. insurance subsidiaries of any such financial company, however, would remain subject to rehabilitation and liquidation proceedings under state insurance laws.

FIO also assists the Secretary of the Treasury in administering the U.S. Terrorism Risk Insurance Act (TRIA), enacted in 2002 to support insurance coverage for certain terrorist acts in the U.S. The program was continued under the Terrorism Risk Insurance Program Reauthorization Act of 2019 (TRIPRA) through December 31, 2027 and is intended to provide reinsurance coverage from the federal government in limited circumstances for certified acts of terrorism that exceed a certain threshold of industry losses.

Title I of Dodd-Frank established the Financial Stability Oversight Council (Council), which is authorized to determine that certain nonbank financial companies be designated as nonbank systemically important financial institutions (SIFIs) subject to supervision by the Board of Governors of the Federal Reserve System and enhanced prudential standards. Designation by the Council of any nonbank SIFI is subject to certain statutory and regulatory standards and to the Council's guidance. The Council may also recommend that state insurance regulators or other regulators apply new or heightened standards and safeguards for activities or practices that insurers or other nonbank financial services companies engage in.

Title V of Dodd-Frank authorizes the United States to enter into covered agreements with foreign governments or regulatory entities regarding the business of insurance and reinsurance. On September 22, 2017, the U.S. and the European Union (EU) entered into such an agreement, and on December 18, 2018, the U.S. signed a covered agreement with the United Kingdom (UK), which is similar to the agreement with the EU. Under the agreements, AIG is supervised at the worldwide group level only by its relevant U.S. insurance supervisors, and generally does not have to satisfy EU Solvency II group capital, reporting and governance requirements for its worldwide group. The covered agreements also require various U.S. reinsurance collateral reforms, which have now been adopted by all U.S. states.

Title VII of Dodd-Frank provides for significantly increased regulation of derivatives markets, including (i) regulatory reporting for swaps, including security-based swaps, (ii) mandated clearing through central counterparties and execution through regulated swap execution facilities for certain swaps (other than security-based swaps) and (iii) margin and collateral requirements.