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

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 31, 2025
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	**13-2592361**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1271 Avenue of the Americas, New York, New York	**10020**
(Address of principal executive offices)	(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

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

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 ☑	Accelerated filer ☐
Non-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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

As of April 25, 2025, there were 576,330,260 shares outstanding of the registrant's common stock.

AMERICAN INTERNATIONAL GROUP, INC.
QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2025
TABLE OF CONTENTS

FORM 10-Q

Item Number	Description		Page
Part I – Financial Information			
ITEM 1	**Financial Statements**		**2**
	Note 1.	Basis of Presentation	8
	Note 2.	Summary of Significant Accounting Policies	9
	Note 3.	Segment Information	9
	Note 4.	Discontinued Operations Presentation	11
	Note 5.	Fair Value Measurements	13
	Note 6.	Investments	21
	Note 7.	Lending Activities	27
	Note 8.	Reinsurance	29
	Note 9.	Deferred Policy Acquisition Costs	31
	Note 10.	Variable Interest Entities	32
	Note 11.	Derivatives and Hedge Accounting	33
	Note 12.	Insurance Liabilities	35
	Note 13.	Contingencies, Commitments and Guarantees	37
	Note 14.	Equity	39
	Note 15.	Earnings Per Common Share (EPS)	41
	Note 16.	Income Taxes	42
ITEM 2	**Management's Discussion and Analysis of Financial Condition and Results of Operations**		**44**
	• Cautionary Statement Regarding Forward-Looking Information and Factors That May Affect Future Results		44
	• Use of Non-GAAP Measures		47
	• Critical Accounting Estimates		49
	• Executive Summary		49
	• Consolidated Results of Operations		51
	• Business Segment Operations		54
	• Investments		62
	• Insurance Reserves		70
	• Liquidity and Capital Resources		72
	• Enterprise Risk Management		77
	• Glossary		78
	• Acronyms		80
ITEM 3	**Quantitative and Qualitative Disclosures About Market Risk**		**80**
ITEM 4	**Controls and Procedures**		**80**
Part II – Other Information			
ITEM 1	**Legal Proceedings**		**81**
ITEM 1A	**Risk Factors**		**81**
ITEM 2	**Unregistered Sales of Equity Securities and Use of Proceeds**		**81**
ITEM 5	**Other Information**		**82**
ITEM 6	**Exhibits**		**82**
Signatures			**83**

Part I – Financial Information

Item 1. | Financial Statements

American International Group, Inc.
Condensed Consolidated Balance Sheets *(unaudited)*

(in millions, except for share data)		March 31, 2025		December 31, 2024
Assets:				
Investments:				
Fixed maturity securities:				
Bonds available for sale, at fair value, net of allowance for credit losses of $30 in 2025 and $38 in 2024 (amortized cost: 2025 - $67,886; 2024 - $66,195)	$	66,027	$	64,006
Other bond securities, at fair value		754		745
Equity securities, at fair value		733		704
Mortgage and other loans receivable, net of allowance for credit losses of $37,791 in 2025 and $37,800 in 2024		3,737		3,868
Other invested assets (portion measured at fair value: 2025 - $7,713; 2024 - $7,384)		9,987		9,828
Short-term investments, including restricted cash of $2 in 2025 and $55 in 2024 (portion measured at fair value: 2025 - $6,212; 2024 - $9,789)		10,601		14,462
Total investments		91,839		93,613
Cash		1,393		1,302
Accrued investment income		631		599
Premiums and other receivables, net of allowance for credit losses and disputes of $129 in 2025 and $127 in 2024		11,684		10,463
Reinsurance assets - Fortitude Re		3,285		3,427
Reinsurance assets - other, net of allowance for credit losses and disputes of $230 in 2025 and $220 in 2024		35,481		34,618
Deferred income tax assets		4,962		4,956
Deferred policy acquisition costs		2,009		2,065
Goodwill		3,398		3,373
Deposit accounting assets, net of allowance for credit losses of $49 in 2025 and $49 in 2024		2,458		2,171
Other assets, including restricted cash of $13 in 2025 and $15 in 2024 (portion measured at fair value: 2025 - $183; 2024 - $179)		4,724		4,735
Total assets	$	161,864	$	161,322
Liabilities:				
Liability for unpaid losses and loss adjustment expenses, including allowance for credit losses of $14 in 2025 and $14 in 2024	$	68,896	$	69,168
Unearned premiums		18,090		17,232
Future policy benefits		1,342		1,317
Other policyholder funds		395		418
Fortitude Re funds withheld payable (portion measured at fair value: 2025 - $(79); 2024 - $(128))		3,215		3,207
Premiums and other related payables		7,343		6,052
Deposit accounting liabilities		3,270		3,005
Commissions and premium taxes payable		1,761		1,522
Current and deferred income tax liabilities		481		426
Other liabilities (portion measured at fair value: 2025 - $181; 2024 - $251)		6,859		7,503
Long-term debt		8,596		8,764
Debt of consolidated investment entities		157		158
Total liabilities		120,405		118,772
Contingencies, commitments and guarantees (See Note 13)				
AIG shareholders' equity:				
Common stock, $2.50 par value; 5,000,000,000 shares authorized; shares issued: 2025 - 1,906,671,492 and 2024 - 1,906,671,492		4,766		4,766
Treasury stock, at cost; 2025 - 1,326,291,552 shares; 2024 - 1,300,512,040 shares of common stock		(67,662)		(65,573)
Additional paid-in capital		75,251		75,348
Retained earnings		35,540		35,079
Accumulated other comprehensive loss		(6,464)		(7,099)
Total AIG shareholders' equity		41,431		42,521
Non-redeemable noncontrolling interests		28		29
Total equity		41,459		42,550
Total liabilities and equity	$	161,864	$	161,322

See accompanying Notes to Condensed Consolidated Financial Statements.

American International Group, Inc.
Condensed Consolidated Statements of Income (Loss) *(unaudited)*

(dollars in millions, except per common share data)	Three Months Ended March 31, 2025	2024
Revenues:		
Premiums	$ 5,770	$ 5,871
Net investment income:		
Net investment income - excluding Fortitude Re funds withheld assets	1,065	940
Net investment income - Fortitude Re funds withheld assets	40	39
Total net investment income	1,105	979
Net realized losses:		
Net realized losses - excluding Fortitude Re funds withheld assets and embedded derivative	(60)	(59)
Net realized losses on Fortitude Re funds withheld assets	(2)	(19)
Net realized losses on Fortitude Re funds withheld embedded derivative	(41)	(9)
Total net realized losses	(103)	(87)
Other income	11	—
Total revenues	6,783	6,763
Benefits, losses and expenses:		
Losses and loss adjustment expenses incurred	3,794	3,513
Amortization of deferred policy acquisition costs	825	838
General operating and other expenses	1,115	1,238
Interest expense	92	116
Net (gain) loss on divestitures and other	(3)	—
Total benefits, losses and expenses	5,823	5,705
Income from continuing operations before income tax expense	960	1,058
Income tax expense	262	261
Income from continuing operations	698	797
Income from discontinued operations, net of income taxes	—	803
Net income	698	1,600
Less: Net income attributable to noncontrolling interests	—	384
Net income attributable to AIG	698	1,216
Less: Dividends on preferred stock and preferred stock redemption premiums	—	22
Net income attributable to AIG common shareholders	$ 698	$ 1,194
Income per common share attributable to AIG common shareholders:		
Basic:		
Income from continuing operations	$ 1.18	$ 1.14
Income from discontinued operations	$ —	$ 0.61
Net income attributable to AIG common shareholders	$ 1.18	$ 1.75
Diluted:		
Income from continuing operations	$ 1.16	$ 1.13
Income from discontinued operations	$ —	$ 0.61
Net income attributable to AIG common shareholders	$ 1.16	$ 1.74
Weighted average shares outstanding:		
Basic	593,839,665	682,576,848
Diluted	599,240,046	687,961,518

See accompanying Notes to Condensed Consolidated Financial Statements.

American International Group, Inc.
Condensed Consolidated Statements of Comprehensive Income (Loss) *(unaudited)*

(in millions)	Three Months Ended March 31, 2025	2024
Net income	**$ 698**	$ 1,600
Other comprehensive income (loss), net of tax		
Change in unrealized appreciation of fixed maturity securities on which allowance for credit losses was taken	**4**	21
Change in unrealized appreciation (depreciation) of all other investments	**425**	(115)
Change in the discount rates used to measure traditional and limited payment long-duration insurance contracts	**6**	2
Change in foreign currency translation adjustments	**194**	(345)
Change in retirement plan liabilities adjustment	**7**	7
Change in other comprehensive income (loss) related to discontinued operations	**—**	(627)
Other comprehensive income (loss)	**636**	(1,057)
Comprehensive income	**1,334**	543
Less: Comprehensive income attributable to noncontrolling interests	**1**	86
Comprehensive income attributable to AIG	**$ 1,333**	$ 457

See accompanying Notes to Condensed Consolidated Financial Statements.

American International Group, Inc.
Condensed Consolidated Statements of Equity *(unaudited)*

(in millions, except per share data)	Preferred Stock and Additional Paid-in Capital	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total AIG Share-holders' Equity	Non-redeemable Non-controlling Interests	Total Equity
Three Months Ended March 31, 2025									
Balance, beginning of the year	**$ —**	**$ 4,766**	**$ (65,573)**	**$ 75,348**	**$ 35,079**	**$ (7,099)**	**$ 42,521**	**$ 29**	**$ 42,550**
Common stock issued under stock plans	**—**	**—**	**161**	**(168)**	**—**	**—**	**(7)**	**—**	**(7)**
Purchase of common stock	**—**	**—**	**(2,251)**	**—**	**—**	**—**	**(2,251)**	**—**	**(2,251)**
Net income attributable to AIG or noncontrolling interests	**—**	**—**	**—**	**—**	**698**	**—**	**698**	**—**	**698**
Dividends on common stock ($0.40 per share)	**—**	**—**	**—**	**—**	**(234)**	**—**	**(234)**	**—**	**(234)**
Other comprehensive income	**—**	**—**	**—**	**—**	**—**	**635**	**635**	**1**	**636**
Distributions to noncontrolling interests	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(1)**	**(1)**
Other	**—**	**—**	**1**	**71**	**(3)**	**—**	**69**	**(1)**	**68**
Balance, end of period	**$ —**	**$ 4,766**	**$ (67,662)**	**$ 75,251**	**$ 35,540**	**$ (6,464)**	**$ 41,431**	**$ 28**	**$ 41,459**
Three Months Ended March 31, 2024									
Balance, beginning of year	$ 485	$ 4,766	$ (59,189)	$ 75,810	$ 37,516	$ (14,037)	$ 45,351	$ 5,950	$ 51,301
Common stock issued under stock plans	—	—	268	(295)	—	—	(27)	—	(27)
Redemption of preferred stock	(485)	—	—	—	—	—	(485)	—	(485)
Purchase of common stock	—	—	(1,682)	—	—	—	(1,682)	—	(1,682)
Net income attributable to AIG or noncontrolling interests	—	—	—	—	1,216	—	1,216	384	1,600
Dividends on preferred stock ($365.625 per share) and preferred stock redemption premiums	—	—	—	—	(22)	—	(22)	—	(22)
Dividends on common stock ($0.36 per share)	—	—	—	—	(243)	—	(243)	—	(243)
Other comprehensive loss	—	—	—	—	—	(759)	(759)	(298)	(1,057)
Net decrease due to divestitures and acquisitions	—	—	—	(10)	—	(73)	(83)	(202)	(285)
Contributions from noncontrolling interests	—	—	—	—	—	—	—	11	11
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(70)	(70)
Other	—	—	—	120	(1)	—	119	(50)	69
Balance, end of period	$ —	$ 4,766	$ (60,603)	$ 75,625	$ 38,466	$ (14,869)	$ 43,385	$ 5,725	$ 49,110

See accompanying Notes to Condensed Consolidated Financial Statements.

American International Group, Inc.
Condensed Consolidated Statements of Cash Flows *(unaudited)*

(in millions)	Three Months Ended March 31, 2025	2024
Cash flows from operating activities:		
Net income	$ 698	$ 1,600
Income from discontinued operations	—	(803)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Noncash revenues, expenses, gains and losses included in income (loss):		
Net losses on sales of securities available for sale and other assets	260	83
Net (gain) loss on divestitures and other	(3)	—
Unrealized gains in earnings - net	(317)	(196)
Equity in income from equity method investments, net of dividends or distributions	(3)	(17)
Depreciation and other amortization	866	851
Changes in operating assets and liabilities:		
Insurance reserves	(319)	998
Premiums and other receivables and payables - net	392	676
Reinsurance assets, net	(537)	(1,937)
Capitalization of deferred policy acquisition costs	(761)	(882)
Current and deferred income taxes - net	165	176
Other, net	(497)	(293)
Total adjustments	(754)	(541)
Net cash provided by (used in) operating activities - continuing operations	(56)	256
Net cash provided by operating activities - discontinued operations	—	265
Net cash provided by (used in) operating activities	(56)	521
Cash flows from investing activities:		
Proceeds from (payments for)		
Sales or distributions of:		
Available for sale securities	4,762	2,861
Other securities	18	72
Other invested assets	316	237
Maturities of fixed maturity securities available for sale	2,060	2,137
Principal payments received on and sales of mortgage and other loans receivable	254	134
Purchases of:		
Available for sale securities	(7,951)	(4,001)
Other securities	(40)	(134)
Other invested assets	(256)	(123)
Mortgage and other loans receivable	(75)	(129)
Net change in short-term investments	3,877	1,973
Other, net	(214)	(47)
Net cash provided by investing activities - continuing operations	2,751	2,980
Net cash used in investing activities - discontinued operations	—	(2,674)
Net cash provided by investing activities	2,751	306
Cash flows from financing activities:		
Proceeds from (payments for)		
Repayments of long-term debt	(247)	(459)
Repayments of debt of consolidated investment entities	(1)	(1)
Purchase of common stock	(2,229)	(1,640)
Redemption of preferred stock	—	(485)
Dividends on preferred stock and preferred stock redemption premiums	—	(22)
Dividends on common stock	(234)	(243)
Other, net	34	(232)
Net cash used in financing activities - continuing operations	(2,677)	(3,082)
Net cash provided by financing activities - discontinued operations	—	1,938
Net cash used in financing activities	(2,677)	(1,144)
Effect of exchange rate changes on cash and restricted cash	18	(29)
Net increase (decrease) in cash and restricted cash	36	(346)
Cash and restricted cash at beginning of year	1,372	1,573
Cash and restricted cash of held for sale assets	—	210
Cash and restricted cash at end of period	$ 1,408	$ 1,437

American International Group, Inc.
Condensed Consolidated Statements of Cash Flows *(unaudited)(continued)*

Supplementary Disclosure of Condensed Consolidated Cash Flow Information

	Three Months Ended March 31,	
(in millions)	**2025**	2024
Cash	**$ 1,393**	$ 1,406
Restricted cash included in Short-term investments*	**2**	1
Restricted cash included in Other assets*	**13**	30
Total cash and restricted cash shown in the Condensed Consolidated Statements of Cash Flows	**$ 1,408**	$ 1,437
Cash paid during the period for:		
Interest	**$ 72**	$ 181
Taxes	**$ 96**	$ 84
Non-cash investing activities:		
Fixed maturity securities available for sale received in connection with pension risk transfer transactions attributed to discontinued operations	**$ —**	$ 1,316
Fixed maturity securities and other invested assets received in connection with reinsurance transactions	**$ —**	$ 40
Fixed maturity securities and other invested assets transferred in connection with reinsurance transactions	**$ (17)**	$ (163)
Non-cash financing activities:		
Interest credited to policyholder contract deposits included in financing activities	**$ —**	$ 1,146
Fee income debited to policyholder contract deposits included in financing activities	**$ —**	$ (529)

* Includes funds held for tax sharing payments to AIG Parent, security deposits, and replacement reserve deposits related to real estate.

See accompanying Notes to Condensed Consolidated Financial Statements.

1. Basis of Presentation

American International Group, Inc. is a leading global insurance organization. AIG provides insurance solutions that help businesses and individuals in over 200 countries and jurisdictions protect their assets and manage risks through AIG operations, licenses and authorizations as well as network partners. Unless the context indicates otherwise, the terms “AIG,” “we,” “us,” “our” or "the Company" mean American International Group, Inc. and its consolidated subsidiaries, and the term “AIG Parent” means American International Group, Inc. and not any of its consolidated subsidiaries.

These unaudited Condensed Consolidated Financial Statements do not include all disclosures that are normally included in annual financial statements prepared in accordance with accounting principles generally accepted in the United States (GAAP) and should be read in conjunction with the audited Consolidated Financial Statements and the related notes included in our Annual Report on Form 10-K for the year ended December 31, 2024 (the 2024 Annual Report). The condensed consolidated financial information as of December 31, 2024 included herein has been derived from the audited Consolidated Financial Statements in the 2024 Annual Report.

In the opinion of management, these Condensed Consolidated Financial Statements contain normal recurring adjustments, including eliminations of material intercompany accounts and transactions, necessary for a fair statement of the results presented herein. Results of operations for the three months ended March 31, 2025, are not necessarily indicative of the results that may be expected for the year ending December 31, 2025.

We evaluated the need to recognize or disclose events that occurred subsequent to March 31, 2025 and prior to the issuance of these Condensed Consolidated Financial Statements.

USE OF ESTIMATES

The preparation of financial statements in accordance with U.S. GAAP requires the application of accounting policies that often involve a significant degree of judgment. Accounting policies that we believe are most dependent on the application of estimates and assumptions are considered our critical accounting estimates and are related to the determination of:

- loss reserves;
- reinsurance assets, including the allowance for credit losses and disputes;
- allowance for credit losses on certain investments, primarily on loans and available for sale fixed maturity securities;
- fair value measurements of certain financial assets and financial liabilities; and
- income taxes, in particular the recoverability of our deferred tax asset and establishment of provisions for uncertain tax positions.

These accounting estimates require the use of assumptions about matters, some of which are highly uncertain at the time of estimation. To the extent actual experience differs from the assumptions used, our consolidated financial condition, results of operations and cash flows could be materially affected.

OUT OF PERIOD ADJUSTMENTS

During the three months ended March 31, 2025, we recorded out of period adjustments relating to prior years that increased Net income attributable to AIG by $51 million and increased Income from continuing operations before income tax expense by $140 million. The out of period adjustments are primarily related to the recognition of gains on intercompany investment transactions and the settlement of derivative and collateral transactions. We evaluated the aggregate impact of these out of period adjustments and concluded they were not material to any previously issued interim and annual Consolidated Financial Statements and that the adjustments are not expected to be material to AIG’s Consolidated Financial Statements for the year ending December 31, 2025. Had these adjustments, which were determined not to be material, been recorded in their appropriate periods, Income from continuing operations before income tax expense for the year ended December 31, 2024 would have decreased by $79 million and would have increased for the years ended December 31, 2023 and 2022 by $34 million and $42 million (and all prior years by $143 million), respectively. Had these adjustments, which were determined not to be material, been recorded in their appropriate periods, Net income attributable to AIG for the year ended December 31, 2024 would have decreased by $68 million and would have increased for the years ended December 31, 2023 and 2022 by $19 million and $23 million (and all prior years by $77 million), respectively.

2. Summary of Significant Accounting Policies

FUTURE APPLICATION OF ACCOUNTING STANDARDS

Income Tax

In December 2023, the Financial Accounting Standards Board (FASB) issued an accounting standard update to address improvements to income tax disclosures. The standard requires disaggregated information about a company's effective tax rate reconciliation as well as information on income taxes paid. The standard is effective for public companies for annual periods beginning after December 15, 2024, with early adoption permitted. The standard should be applied on a prospective basis, but retrospective application is permitted. We are assessing the impact of this standard.

Disaggregation of Income Statement Expenses

On November 4, 2024, the FASB issued new guidance that is intended to improve disclosures regarding the nature of expenses included in the income statement. The standard will require companies to disaggregate certain expense captions into specified categories in disclosures within notes to the financial statements and provide qualitative descriptions for those that are not separately disclosed. The guidance is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. The requirements can be applied prospectively or retrospectively for prior periods presented when adopted. We are assessing the impact of the standard.

3. Segment Information

In the fourth quarter of 2024, the Company realigned its organizational structure and the composition of its reportable segments to reflect changes in how the Company manages its operations, specifically the level at which its chief operating decision makers (CODMs) regularly review operating results and allocate resources. Our CODMs are the chief executive officer (CEO) and chief financial officer (CFO). The CODMs evaluate performance of the segments based on underwriting income (loss). The CODMs use this measure to benchmark AIG's performance, assessing performance of the segments and in establishing management's compensation.

AIG has three reportable segments: North America Commercial, International Commercial and Global Personal. Prior year's presentations have been recast to conform to the new reportable segments. Our General Insurance business (General Insurance) consists of our three segments and the Net investment income related to our insurance operations.

NORTH AMERICA COMMERCIAL

North America Commercial consists of insurance businesses in the United States, Canada and Bermuda.

INTERNATIONAL COMMERCIAL

International Commercial consists of insurance businesses in Japan, the United Kingdom, Europe, Middle East and Africa (EMEA region), Asia Pacific, Latin America and Caribbean, and China. International also includes the results of Talbot Underwriting Ltd. as well as AIG's Global Specialty business.

GLOBAL PERSONAL

Global Personal consists primarily of insurance businesses in the United States as well as Japan, the United Kingdom, Europe, EMEA region, Asia Pacific, Latin America and Caribbean, and China.

PRODUCTS

The segments consist of the following products:

- North America and International Commercial consists of Property & Short Tail, Casualty, Financial Lines and Global Specialty.
- Global Personal consists of Global Accident & Health and Personal Lines.

OTHER OPERATIONS

Other Operations predominantly consists of Net Investment Income from our AIG Parent liquidity portfolio, Corebridge Financial, Inc. (Corebridge) dividend income, corporate General operating expenses, and Interest expense.

SEGMENT RESULTS

Management uses Underwriting income (loss) as the basis for the segment performance reviews. AIG calculates Underwriting income (loss) by subtracting Losses and loss adjustment expense incurred, Amortization of deferred policy acquisition costs (DAC), Other acquisition cost, and General operating expense from Net premiums earned. Assets by reportable segment are not used by the CODMs for purposes of making decisions about allocating resources to the segment and assessing its performance.

The following table presents AIG's continuing operations by segment:

	Three Months Ended March 31, 2025								
(in millions)	Net Premiums Written	Net Premiums Earned	Losses and Loss Adjustment Expenses Incurred[a]	Amortization of DAC[a]	Other Acquisition Expenses[a]	General Operating Expenses[a][b]	Underwriting Income (Loss)	Net Investment Income	Reconciliation to Income (Loss) from Continuing Operations Before Income Tax Expense
North America Commercial	$ 1,174	$ 2,124	$ 1,526	$ 227	$ 47	$ 195	$ 129		
International Commercial	2,027	2,051	1,178	245	94	294	240		
Global Personal	1,325	1,594	1,062	353	91	214	(126)		
Total General Insurance	$ 4,526	$ 5,769	$ 3,766	$ 825	$ 232	$ 703	$ 243	$ 736	$ 979
Interest expense								—	(91)
Other Operations								108	21
Elimination and consolidations								1	—
Total								845	909
Reconciling items:									
Changes in the fair values of equity securities and AIG's investment in Corebridge								217	217
Net investment income on Fortitude Re funds withheld assets								40	40
Net realized losses on Fortitude Re funds withheld assets								—	(2)
Net realized losses on Fortitude Re funds withheld embedded derivative								—	(41)
Net realized gains (losses)[c]								(2)	(66)
Net gain on divestitures and other								—	3
Non-operating litigation reserves and settlements								—	11
Unfavorable prior year development and related amortization changes ceded under retroactive reinsurance agreements								—	(9)
Net loss reserve discount charge								—	(17)
Net results of businesses in run-off[d]								5	5
Non-operating pension expense								—	(5)
Integration and transaction costs associated with acquiring or divesting businesses								—	(5)
Restructuring and other costs								—	(76)
Non-recurring costs related to regulatory or accounting changes								—	(4)
Total AIG Consolidated								$ 1,105	$ 960

Three Months Ended March 31, 2024									
(in millions)	Net Premiums Written	Net Premiums Earned	Losses and Loss Adjustment Expenses Incurred[a]	Amortization of DAC[a]	Other Acquisition Expenses[a]	General Operating Expenses[a][b]	Underwriting Income (Loss)	Net Investment Income	Reconciliation to Income (Loss) from Continuing Operations Before Income Tax Expense
North America Commercial	$ 1,033	$ 1,983	$ 1,270	$ 220	$ 37	$ 220	$ 236		
International Commercial	1,939	2,011	1,088	244	89	260	330		
Global Personal	1,540	1,792	995	364	149	254	30		
Total General Insurance	$ 4,512	$ 5,786	$ 3,353	$ 828	$ 275	$ 734	$ 596	$ 762	$ 1,358
Interest expense								—	(115)
Other Operations								76	(89)
Elimination and consolidations								3	(1)
Total								841	1,153
Reconciling items:									
Changes in the fair values of equity securities and AIG's investment in Corebridge								88	88
Other income (expense) - net								1	—
Net investment income on Fortitude Re funds withheld assets								39	39
Net realized losses on Fortitude Re funds withheld assets								—	(19)
Net realized losses on Fortitude Re funds withheld embedded derivative								—	(9)
Net realized gains (losses)[c]								7	(55)
Unfavorable prior year development and related amortization changes ceded under retroactive reinsurance agreements								—	(2)
Net loss reserve discount charge								—	(76)
Net results of businesses in run-off[d]								3	7
Integration and transaction costs associated with acquiring or divesting businesses								—	3
Restructuring and other costs								—	(67)
Non-recurring costs related to regulatory or accounting changes								—	(4)
Total AIG Consolidated								$ 979	$ 1,058

(a) These represent our significant expense categories of which amounts align with the segment-level information that is regularly provided to the CODMs.

(b) General operating expenses are primarily comprised of employee compensation and benefits, as well as professional fees.

(c) Includes all Net realized gains and losses except earned income (periodic settlements and changes in settlement accruals) on derivative instruments used for non-qualifying (economic) hedging or for asset replication and net realized gains and losses on Fortitude Re funds withheld assets held by AIG in support of Fortitude Re's reinsurance obligations to AIG (Fortitude Re funds withheld assets).

(d) In the fourth quarter of 2024, AIG realigned and began excluding the net results of run-off businesses previously reported in Other Operations from Adjusted pre-tax income. Historical results have been recast to reflect these changes.

4. Discontinued Operations Presentation

DISCONTINUED OPERATIONS PRESENTATION

We present a business, or a component of an entity, as discontinued operations if a) it meets the held-for-sale criteria, or is disposed of by sale, or is disposed of other than by sale, and b) the disposal of the business, or component of an entity, represents a strategic shift that has (or will have) a major effect on AIG's financial results.

Deconsolidation of Corebridge

On June 9, 2024, AIG held 48.4 percent of Corebridge common stock, waived its right to majority representation on the Corebridge Board of Directors and one of AIG's designees resigned from the Corebridge Board of Directors as of June 9, 2024 (the Deconsolidation Date). As a result, AIG met the requirements for the deconsolidation of Corebridge.

In the second quarter of 2024, AIG recognized a loss of $4.8 billion as a result of the deconsolidation, mainly due to the recognition of an accumulated comprehensive loss of $7.2 billion. The loss was recorded as a component of discontinued operations.

The historical financial results of Corebridge are reflected in these Condensed Consolidated Financial Statements as discontinued operations.

Post Deconsolidation of Corebridge

Subsequent to the Deconsolidation Date, AIG elected the fair value option and reflects its retained interest in Corebridge as an equity method investment in Other invested assets using Corebridge's stock price as its fair value. Dividends received from Corebridge and changes in its stock price are recognized in Net investment income.

Due to share repurchases by Corebridge and sale of shares by AIG after the Deconsolidation Date, as of March 31, 2025, AIG held 23.0 percent of the outstanding common stock of Corebridge.

The following provides Corebridge's pre-tax income as well as our equity method income (representing the sum of dividends received and changes in its stock price).

Three Months Ended March 31, *(in millions)*		2025
Corebridge pre-tax loss	$	(862)
Equity method income related to Corebridge (based on fair value)	$	240

The following table presents the amounts related to the operations of Corebridge that have been reflected in Net income from discontinued operations:

Three Months Ended March 31, *(in millions)*		2024
Revenues:		
Premiums	$	2,295
Policy fees		714
Net investment income		2,924
Net realized losses		(336)
Other income		217
Total revenues		5,814
Benefits, losses and expenses:		
Policyholder benefits and losses incurred		2,807
Change in the fair value of market risk benefits, net		(370)
Interest credited to policyholder account balances		1,204
Amortization of deferred policy acquisition costs		266
General operating and other expenses		776
Interest expense		143
Net gain on divestitures and other		(5)
Total benefits, losses and expenses		4,821
Income from discontinued operations before income tax expense and loss on disposal of discontinued operations		993
Income tax expense		190
Income from discontinued operations, net of income taxes before loss on disposal of discontinued operations		803
Loss on disposition of operations, net of tax		—
Loss from discontinued operations, net of income taxes		803
Less: Net income from discontinued operations attributable to noncontrolling interests		384
Net loss from discontinued operations attributable to AIG	$	419

5. Fair Value Measurements

FAIR VALUE MEASUREMENTS ON A RECURRING BASIS

Assets and liabilities recorded at fair value in the Condensed Consolidated Balance Sheets are measured and classified in accordance with a fair value hierarchy consisting of three “levels” based on the observability of valuation inputs:

- **Level 1:** Fair value measurements based on quoted prices (unadjusted) in active markets that we have the ability to access for identical assets or liabilities. Market price data generally is obtained from exchange or dealer markets. We do not adjust the quoted price for such instruments.
- **Level 2:** Fair value measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals.
- **Level 3:** Fair value measurements based on valuation techniques that use significant inputs that are unobservable. Both observable and unobservable inputs may be used to determine the fair values of positions classified in Level 3. The circumstances for using these measurements include those in which there is little, if any, market activity for the asset or liability. Therefore, we must make certain assumptions about the inputs a hypothetical market participant would use to value that asset or liability.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

ASSETS AND LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS

The following table presents information about assets and liabilities measured at fair value on a recurring basis and indicates the level of the fair value measurement based on the observability of the inputs used:

March 31, 2025 (in millions)	Level 1	Level 2	Level 3	Counterparty Netting[(a)]	Cash Collateral	Total
Assets:						
Bonds available for sale:						
U.S. government and government sponsored entities	$ 76	$ 3,101	$ —	$ —	$ —	$ 3,177
Obligations of states, municipalities and political subdivisions	—	3,028	3	—	—	3,031
Non-U.S. governments	76	6,644	7	—	—	6,727
Corporate debt	—	34,698	115	—	—	34,813
RMBS	—	7,396	1,656	—	—	9,052
CMBS	—	3,539	26	—	—	3,565
CLO/ABS	—	4,747	915	—	—	5,662
Total bonds available for sale	152	63,153	2,722	—	—	66,027
Other bond securities:						
Obligations of states, municipalities and political subdivisions	—	51	—	—	—	51
Non-U.S. governments	—	22	—	—	—	22
Corporate debt	—	283	1	—	—	284
RMBS	—	50	50	—	—	100
CMBS	—	42	—	—	—	42
CLO/ABS	—	135	120	—	—	255
Total other bond securities	—	583	171	—	—	754
Equity securities	693	5	35	—	—	733
Other invested assets[(b)]	4,018	185	76	—	—	4,279
Derivative assets[(c)]	—	459	46	(225)	(226)	54
Short-term investments	3,916	2,296	—	—	—	6,212
Other assets[(c)]	—	—	129	—	—	129
Total	$ 8,779	$ 66,681	$ 3,179	$ (225)	$ (226)	$ 78,188

March 31, 2025 (in millions)	Level 1	Level 2	Level 3	Counterparty Netting[a]	Cash Collateral	Total
Liabilities:						
Derivative liabilities[c]	**—**	**500**	**46**	**(225)**	**(240)**	**81**
Fortitude Re funds withheld payable	**—**	**—**	**(79)**	**—**	**—**	**(79)**
Other liabilities	**—**	**—**	**100**	**—**	**—**	**100**
Total	**$ —**	**$ 500**	**$ 67**	**$ (225)**	**$ (240)**	**$ 102**

December 31, 2024 (in millions)	Level 1	Level 2	Level 3	Counterparty Netting[a]	Cash Collateral	Total
Assets:						
Bonds available for sale:						
U.S. government and government sponsored entities	$ 36	$ 3,231	$ —	$ —	$ —	$ 3,267
Obligations of states, municipalities and political subdivisions	—	3,140	3	—	—	3,143
Non-U.S. governments	161	7,939	7	—	—	8,107
Corporate debt	—	31,586	240	—	—	31,826
RMBS	—	6,710	1,894	—	—	8,604
CMBS	—	3,900	26	—	—	3,926
CLO/ABS	—	4,293	840	—	—	5,133
Total bonds available for sale	197	60,799	3,010	—	—	64,006
Other bond securities:						
Obligations of states, municipalities and political subdivisions	—	50	—	—	—	50
Non-U.S. governments	—	24	—	—	—	24
Corporate debt	—	281	1	—	—	282
RMBS	—	50	50	—	—	100
CMBS	—	43	—	—	—	43
CLO/ABS	—	133	113	—	—	246
Total other bond securities	—	581	164	—	—	745
Equity securities	689	—	15	—	—	704
Other invested assets [b]	3,810	119	163	—	—	4,092
Derivative assets[c]	—	573	51	(270)	(304)	50
Short-term investments	7,942	1,847	—	—	—	9,789
Other assets[c]	—	—	129	—	—	129
Total	$ 12,638	$ 63,919	$ 3,532	$ (270)	$ (304)	$ 79,515
Liabilities:						
Derivative liabilities[c]	—	571	51	(270)	(201)	151
Fortitude Re funds withheld payable	—	—	(128)	—	—	(128)
Other liabilities	—	—	100	—	—	100
Total	$ —	$ 571	$ 23	$ (270)	$ (201)	$ 123

(a) Represents netting of derivative exposures covered by qualifying master netting agreements.

(b) Excludes investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent), which totaled $3.4 billion and $3.3 billion as of March 31, 2025 and December 31, 2024, respectively. As of March 31, 2025 and December 31, 2024, includes AIG's ownership interest in Corebridge of $4.0 billion and $3.8 billion, respectively, on which AIG elected the fair value option.

(c) Presented as part of Other assets and Other liabilities on the Condensed Consolidated Balance Sheets.

CHANGES IN LEVEL 3 RECURRING FAIR VALUE MEASUREMENTS

The following tables present changes during the three months ended March 31, 2025 and 2024 in Level 3 assets and liabilities measured at fair value on a recurring basis, and the realized and unrealized gains (losses) related to the Level 3 assets and liabilities in the Condensed Consolidated Balance Sheets at March 31, 2025 and 2024:

(in millions)	Fair Value Beginning of Year	Net Realized and Unrealized Gains (Losses) Included in Income	Other Comprehensive Income (Loss)	Purchases, Sales, Issuances and Settlements, Net	Gross Transfers In	Gross Transfers Out	Other	Fair Value End of Period	Changes in Unrealized Gains (Losses) Included in Income on Instruments Held at End of Period	Changes in Unrealized Gains (Losses) Included in Other Comprehensive Income (Loss) for Recurring Level 3 Instruments Held at End of Period
Three Months Ended March 31, 2025										
Assets:										
Bonds available for sale:										
Obligations of states, municipalities and political subdivisions	**$ 3**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 3**	**$ —**	**$ —**
Non-U.S. governments	**7**	**—**	**—**	**—**	**—**	**—**	**—**	**7**	**—**	**—**
Corporate debt	**240**	**(9)**	**10**	**(125)**	**—**	**(1)**	**—**	**115**	**—**	**9**
RMBS	**1,894**	**7**	**33**	**(57)**	**3**	**(224)**	**—**	**1,656**	**—**	**17**
CMBS	**26**	**—**	**—**	**(4)**	**4**	**—**	**—**	**26**	**—**	**—**
CLO/ABS	**840**	**1**	**1**	**79**	**—**	**(6)**	**—**	**915**	**—**	**1**
Total bonds available for sale	**3,010**	**(1)**	**44**	**(107)**	**7**	**(231)**	**—**	**2,722**	**—**	**27**
Other bond securities:										
Corporate debt	**1**	**—**	**—**	**—**	**—**	**—**	**—**	**1**	**—**	**—**
RMBS	**50**	**1**	**—**	**(1)**	**—**	**—**	**—**	**50**	**1**	**—**
CLO/ABS	**113**	**3**	**—**	**(4)**	**31**	**(23)**	**—**	**120**	**3**	**—**
Total other bond securities	**164**	**4**	**—**	**(5)**	**31**	**(23)**	**—**	**171**	**4**	**—**
Equity securities	**15**	**1**	**—**	**10**	**9**	**—**	**—**	**35**	**—**	**—**
Other invested assets	**163**	**—**	**—**	**(24)**	**—**	**(63)**	**—**	**76**	**—**	**—**
Other assets	**129**	**—**	**—**	**—**	**—**	**—**	**—**	**129**	**—**	**—**
Total	**$ 3,481**	**$ 4**	**$ 44**	**$ (126)**	**$ 47**	**$ (317)**	**$ —**	**$ 3,133**	**$ 4**	**$ 27**

(in millions)	Fair Value Beginning of Year	Net Realized and Unrealized (Gains) Losses Included in Income	Other Comprehensive (Income) Loss	Purchases, Sales, Issuances and Settlements, Net	Gross Transfers In	Gross Transfers Out	Other	Fair Value End of Period	Changes in Unrealized Gains (Losses) Included in Income on Instruments Held at End of Period	Changes in Unrealized Gains (Losses) Included in Other Comprehensive Income (Loss) for Recurring Level 3 Instruments Held at End of Period
Liabilities:										
Fortitude Re funds withheld payable	**$ (128)**	**$ 41**	**$ —**	**$ 8**	**$ —**	**$ —**	**$ —**	**$ (79)**	**$ (2)**	**$ —**
Other Liabilities	**100**	**—**	**—**	**—**	**—**	**—**	**—**	**100**	**—**	**—**
Total	**$ (28)**	**$ 41**	**$ —**	**$ 8**	**$ —**	**$ —**	**$ —**	**$ 21**	**$ (2)**	**$ —**

(in millions)	Fair Value Beginning of Year	Net Realized and Unrealized Gains (Losses) Included in Income	Other Comprehensive Income (Loss)	Purchases, Sales, Issuances and Settlements, Net	Gross Transfers In	Gross Transfers Out	Other	Fair Value End of Period	Changes in Unrealized Gains (Losses) Included in Income on Instruments Held at End of Period	Changes in Unrealized Gains (Losses) Included in Other Comprehensive Income (Loss) for Recurring Level 3 Instruments Held at End of Period
Three Months Ended March 31, 2024										
Assets:										
Bonds available for sale:										
Obligations of states, municipalities and political subdivisions	$ 3	$ —	$ —	$ 1	$ —	$ —	$ —	$ 4	$ —	$ —
Non-U.S. governments	7	—	—	—	—	—	—	7	—	—
Corporate debt	323	1	—	(38)	98	(1)	—	383	—	1
RMBS	1,792	23	27	(75)	—	(1)	—	1,766	—	28
CMBS	25	—	—	—	17	1	—	43	—	—
CLO/ABS	1,289	(15)	29	(19)	—	—	—	1,284	—	27
Total bonds available for sale	3,439	9	56	(131)	115	(1)	—	3,487	—	56
Other bond securities:										
Corporate debt	45	—	—	—	—	—	1	46	—	—
RMBS	51	—	—	2	—	—	—	53	—	—
CLO/ABS	138	(1)	—	8	—	—	(1)	144	(2)	—
Total other bond securities	234	(1)	—	10	—	—	—	243	(2)	—

(in millions)	Fair Value Beginning of Year	Net Realized and Unrealized Gains (Losses) Included in Income	Other Comprehensive Income (Loss)	Purchases, Sales, Issuances and Settlements, Net	Gross Transfers In	Gross Transfers Out	Other	Fair Value End of Period	Changes in Unrealized Gains (Losses) Included in Income on Instruments Held at End of Period	Changes in Unrealized Gains (Losses) Included in Other Comprehensive Income (Loss) for Recurring Level 3 Instruments Held at End of Period
Equity securities	14	—	—	—	—	(1)	—	13	—	—
Other invested assets	221	(9)	—	(3)	—	(13)	(13)	183	(11)	—
Other assets	243	—	—	(114)	—	—	—	129	—	—
Total	$ 4,151	$ (1)	$ 56	$ (238)	$ 115	$ (15)	$ (13)	$ 4,055	$ (13)	$ 56

(in millions)	Fair Value Beginning of Year	Net Realized and Unrealized (Gains) Losses Included in Income	Other Comprehensive (Income) Loss	Purchases, Sales, Issuances and Settlements, Net	Gross Transfers In	Gross Transfers Out	Other	Fair Value End of Period	Changes in Unrealized Gains (Losses) Included in Income on Instruments Held at End of Period	Changes in Unrealized Gains (Losses) Included in Other Comprehensive Income (Loss) for Recurring Level 3 Instruments Held at End of Period
Liabilities:										
Derivative liabilities, net[(a)]	$ (453)	$ 52	$ —	$ 218	$ —	$ —	$ —	$ (183)	$ 11	$ —
Fortitude Re funds withheld payable	(148)	9	—	20	—	—	—	(119)	14	—
Other liabilities	122	(30)	—	—	—	—	—	92	—	—
Total	$ (479)	$ 31	$ —	$ 238	$ —	$ —	$ —	$ (210)	$ 25	$ —

(a) Total Level 3 derivative exposures have been netted in these tables for presentation purposes only.

Net realized and unrealized gains and losses included in income related to Level 3 assets and liabilities shown above are reported in the Condensed Consolidated Statements of Income (Loss) as follows:

(in millions)	Net Investment Income	Net Realized Gains (Losses)	Total
Three Months Ended March 31, 2025			
Assets:			
Bonds available for sale	**$ 8**	**$ (9)**	**$ (1)**
Other bond securities	**4**	**—**	**4**
Equity securities	**1**	**—**	**1**
Three Months Ended March 31, 2024			
Assets:			
Bonds available for sale	$ 15	$ (6)	$ 9
Other bond securities	(1)	—	(1)
Other invested assets	(9)	—	(9)

(in millions)	Net Investment Income	Net Realized (Gains) Losses	Total
Three Months Ended March 31, 2025			
Liabilities:			
Fortitude Re funds withheld payable	**$ —**	**$ 41**	**$ 41**
Three Months Ended March 31, 2024			
Liabilities:			
Derivative liabilities, net	$ —	$ 52	$ 52
Fortitude Re funds withheld payable	—	9	9
Other Liabilities	—	(30)	(30)

The following table presents the gross components of purchases, sales, issuances and settlements, net, shown above, for the three months ended March 31, 2025 and 2024 related to Level 3 assets and liabilities in the Condensed Consolidated Balance Sheets:

(in millions)	Purchases	Sales	Issuances and Settlements[(a)]	Purchases, Sales, Issuances and Settlements, Net[(a)]
Three Months Ended March 31, 2025				
Assets:				
Bonds available for sale:				
Corporate debt	$ 3	$ (4)	$ (124)	$ (125)
RMBS	—	(3)	(54)	(57)
CMBS	—	(4)	—	(4)
CLO/ABS	146	(37)	(30)	79
Total bonds available for sale	149	(48)	(208)	(107)
Other bond securities:				
RMBS	—	—	(1)	(1)
CLO/ABS	—	—	(4)	(4)
Total other bond securities	—	—	(5)	(5)
Equity securities	14	(4)	—	10
Other invested assets	—	—	(24)	(24)
Total	$ 163	$ (52)	$ (237)	$ (126)
Liabilities:				
Fortitude Re funds withheld payable	$ —	$ —	$ 8	$ 8
Total	$ —	$ —	$ 8	$ 8
Three Months Ended March 31, 2024				
Assets:				
Bonds available for sale:				
Obligations of states, municipalities and political subdivisions	$ 1	$ —	$ —	$ 1
Corporate Debt	6	(3)	(41)	(38)
RMBS	—	(1)	(74)	(75)
CLO/ABS	60	(2)	(77)	(19)
Total bonds available for sale	67	(6)	(192)	(131)
Other bond securities:				
RMBS	3	—	(1)	2
CLO/ABS	11	—	(3)	8
Total other bond securities	14	—	(4)	10
Other invested assets	1	—	(4)	(3)
Other assets	—	—	(114)	(114)
Total	$ 82	$ (6)	$ (314)	$ (238)
Liabilities:				
Derivative liabilities, net	$ —	$ —	$ 218	$ 218
Fortitude Re funds withheld payable	—	—	20	20
Total	$ —	$ —	$ 238	$ 238

(a) There were no issuances during the three months ended March 31, 2025 and 2024.

Both observable and unobservable inputs may be used to determine the fair values of positions classified in Level 3 in the tables above. As a result, the unrealized gains (losses) on instruments held at March 31, 2025 and 2024 may include changes in fair value that were attributable to both observable (e.g., changes in market interest rates) and unobservable inputs (e.g., changes in unobservable long-dated volatilities).

Transfers of Level 3 Assets and Liabilities

The Net realized and unrealized gains (losses) included in income (loss) or Other comprehensive income (loss) (OCI) as shown in the table above excludes $2 million and $(3) million of net gains (losses) related to assets and liabilities transferred into Level 3 during the three months ended March 31, 2025 and 2024, respectively, and includes $5 million and $0 million of net gains (losses) related to assets and liabilities transferred out of Level 3 during the three months ended March 31, 2025 and 2024, respectively.

Transfers of Level 3 Assets

During the three months ended March 31, 2025 and 2024, transfers into Level 3 assets primarily included certain investments in private placement corporate debt, commercial mortgage-backed securities (CMBS), residential mortgage-backed securities (RMBS), collateralized loan obligations (CLO)/asset-backed securities (ABS) and equity securities. Transfers of private placement corporate debt and certain ABS into Level 3 assets were primarily the result of limited market pricing information that required us to determine fair value for these securities based on inputs that are adjusted to better reflect our own assumptions regarding the characteristics of a specific security or associated market liquidity. The transfers of investments in CMBS, RMBS, CLO and certain ABS into Level 3 assets were due to diminished market transparency and liquidity for individual security types.

During the three months ended March 31, 2025 and 2024, transfers out of Level 3 assets primarily included certain investments in private placement corporate debt, CMBS, RMBS, CLO/ABS, municipal bonds and equity securities. Transfers of private placement corporate debt out of Level 3 assets were based on consideration of market liquidity as well as related transparency of pricing and associated observable inputs for these investments. Transfers of certain investments in private placement corporate debt out of Level 3 assets were primarily the result of using observable pricing information that reflects the fair value of those securities without the need for adjustment based on our own assumptions regarding the characteristics of a specific security or the current liquidity in the market.

Transfers of Level 3 Liabilities

There were no significant transfers of derivative or other liabilities into or out of Level 3 for the three months ended March 31, 2025 and 2024.

QUANTITATIVE INFORMATION ABOUT LEVEL 3 FAIR VALUE MEASUREMENTS

The table below presents information about the significant unobservable inputs used for recurring fair value measurements for certain Level 3 instruments, and includes only those instruments for which information about the inputs is reasonably available to us, such as data from independent third-party valuation service providers. Because input information from third-parties with respect to certain Level 3 instruments (primarily CLO/ABS) may not be reasonably available to us, balances shown below may not equal total amounts reported for such Level 3 assets and liabilities:

(in millions)	Fair Value at March 31, 2025	Valuation Technique	Unobservable Input[b]	Range (Weighted Average)[c]
Assets:				
Obligations of states, municipalities and political subdivisions	$ 3	Discounted cash flow	Yield	5.11% - 5.59% (5.35%)
Corporate debt	57	Discounted cash flow	Yield	5.98% - 11.04% (7.89%)
RMBS[a]	1,251	Discounted cash flow	Constant prepayment rate	3.96% - 7.46% (5.71%)
			Loss severity	34.69% - 85.45% (60.07%)
			Constant default rate	0.60% - 1.97% (1.28%)
			Yield	5.43% - 6.36% (5.90%)
CLO/ABS[a]	760	Discounted cash flow	Yield	3.33% - 9.11% (6.22%)
CMBS	5	Discounted cash flow	Yield	5.72% - 8.94% (7.21%)

(in millions)	Fair Value at December 31, 2024	Valuation Technique	Unobservable Input[b]	Range (Weighted Average)[c]
Assets:				
Obligations of states, municipalities and political subdivisions	$ 3	Discounted cash flow	Yield	5.09% - 5.57% (5.33%)
Corporate debt	177	Discounted cash flow	Yield	6.83% - 11.61% (9.22%)
RMBS[a]	1,321	Discounted cash flow	Constant prepayment rate	4.10% - 9.26% (6.68%)
			Loss severity	40.81% - 76.72% (58.76%)
			Constant default rate	0.57% - 2.48% (1.52%)
			Yield	5.89% - 6.98% (6.44%)
CLO/ABS[a]	760	Discounted cash flow	Yield	4.24% - 8.42% (6.33%)
CMBS	25	Discounted cash flow	Yield	7.04% - 10.12% (8.70%)

(a) Information received from third-party valuation service providers. The ranges of the unobservable inputs for constant prepayment rate, loss severity and constant default rate relate to each of the individual underlying mortgage loans that comprise the entire portfolio of securities in the RMBS and CLO securitization vehicles and not necessarily to the securitization vehicle bonds (tranches) purchased by us. The ranges of these inputs do not directly correlate to changes in the fair values of the tranches purchased by us, because there are other factors relevant to the fair values of specific tranches owned by us including, but not limited to, purchase price, position in the waterfall, senior versus subordinated position and attachment points.

(b) Represents discount rates, estimates and assumptions that we believe would be used by market participants when valuing these assets and liabilities.

(c) The weighted averaging for fixed maturity securities is based on the estimated fair value of the securities.

The ranges of reported inputs for Obligations of states, municipalities and political subdivisions, Corporate debt, RMBS, CLO/ABS, and CMBS valued using a discounted cash flow technique consist of one standard deviation in either direction from the value-weighted average. The preceding table does not give effect to our risk management practices that might offset risks inherent in these Level 3 assets and liabilities.

Interrelationships Between Unobservable Inputs

We consider unobservable inputs to be those for which market data is not available and that are developed using the best information available to us about the assumptions that market participants would use when pricing the asset or liability. Relevant inputs vary depending on the nature of the instrument being measured at fair value. The following paragraphs provide a general description of significant unobservable inputs along with interrelationships between and among the significant unobservable inputs and their impact on the fair value measurements. In practice, simultaneous changes in assumptions may not always have a linear effect on the inputs discussed below. Interrelationships may also exist between observable and unobservable inputs. Such relationships have not been included in the discussion below. For each of the individual relationships described below, the inverse relationship would also generally apply.

Fixed Maturity Securities

The significant unobservable input used in the fair value measurement of fixed maturity securities is yield. The yield is affected by the market movements in credit spreads and U.S. Treasury yields. The yield may be affected by other factors including constant prepayment rates, loss severity, and constant default rates. In general, increases in the yield would decrease the fair value of investments, and conversely, decreases in the yield would increase the fair value of investments.

Embedded Derivatives within Reinsurance Contracts

The fair value of embedded derivatives associated with funds withheld reinsurance contracts is determined based upon a total return swap technique with reference to the fair value of the investments held by AIG related to AIG's funds withheld payable. The fair value of the underlying assets is generally based on market observable inputs using industry standard valuation techniques. The valuation also requires certain significant inputs, which are generally not observable, and accordingly, the valuation is considered Level 3 in the fair value hierarchy.

INVESTMENTS IN CERTAIN ENTITIES CARRIED AT FAIR VALUE USING NET ASSET VALUE PER SHARE

The following table includes information related to our investments in certain other invested assets, including private equity funds, hedge funds and other alternative investments that calculate net asset value per share (or its equivalent). For these investments, which are measured at fair value on a recurring basis, we use the net asset value per share to measure fair value.

		March 31, 2025		December 31, 2024	
(in millions)	Investment Category Includes	Fair Value Using NAV Per Share (or its equivalent)	Unfunded Commitments	Fair Value Using NAV Per Share (or its equivalent)	Unfunded Commitments
Investment Category					
Private equity funds:					
Leveraged buyout	Debt and/or equity investments made as part of a transaction in which assets of mature companies are acquired from the current shareholders, typically with the use of financial leverage	**$ 1,140**	**$ 358**	$ 1,126	$ 375
Real assets	Investments in real estate properties, agricultural and infrastructure assets, including power plants and other energy producing assets	**797**	**228**	782	261
Venture capital	Early-stage, high-potential, growth companies expected to generate a return through an eventual realization event, such as an initial public offering or sale of the company	**85**	**37**	83	40
Growth equity	Funds that make investments in established companies for the purpose of growing their businesses	**182**	**2**	175	1
Mezzanine	Funds that make investments in the junior debt and equity securities of leveraged companies	**108**	**57**	120	58
Other	Includes distressed funds that invest in securities of companies that are in default or under bankruptcy protection, as well as funds that have multi- strategy, and other strategies	**921**	**490**	819	57
Total private equity funds		**3,233**	**1,172**	3,105	792

		March 31, 2025		December 31, 2024	
(in millions)	Investment Category Includes	Fair Value Using NAV Per Share (or its equivalent)	Unfunded Commitments	Fair Value Using NAV Per Share (or its equivalent)	Unfunded Commitments
Hedge funds:					
Event-driven	Securities of companies undergoing material structural changes, including mergers, acquisitions and other reorganizations	**12**	**—**	11	—
Long-short	Securities that the manager believes are undervalued, with corresponding short positions to hedge market risk	**181**	**—**	168	—
Other	Includes investments held in funds that are less liquid, as well as other strategies which allow for broader allocation between public and private investments	**8**	**—**	8	—
Total hedge funds		**201**	**—**	187	—
Total		**$ 3,434**	**$ 1,172**	$ 3,292	$ 792

Private equity fund investments included above are not redeemable, because distributions from the funds will be received when underlying investments of the funds are liquidated. Private equity funds are generally expected to have 10-year lives at their inception, but these lives may be extended at the fund manager's discretion, typically in one-year or two-year increments.

FAIR VALUE OPTION

The following table presents the gains or losses recorded related to the eligible instruments for which we elected the fair value option:

Three Months Ended March 31,	Gain (Loss)	
(in millions)	**2025**	2024
Other bond securities[(a)]	**$ 11**	$ 2
Alternative investments[(b)]	**24**	80
Retained investment in Corebridge[(c)]	**209**	—
Total gain (loss)	**$ 244**	$ 82

(a) Includes certain securities supporting the funds withheld arrangements with Fortitude Re. *For additional information regarding the gains and losses for Other bond securities, see Note 6. For additional information regarding the funds withheld arrangements with Fortitude Re, see Note 8.*

(b) Includes certain hedge funds, private equity funds and real estate investments.

(c) Represents the impact of changes in Corebridge stock price on the value of AIG's ownership interest in Corebridge.

We calculate the effect of these credit spread changes using discounted cash flow techniques that incorporate current market interest rates, our observable credit spreads on these liabilities and other factors that mitigate the risk of nonperformance such as cash collateral posted.

FAIR VALUE INFORMATION ABOUT FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

The following table presents the carrying amounts and estimated fair values of our financial instruments not measured at fair value and indicates the level in the fair value hierarchy of the estimated fair value measurement based on the observability of the inputs used:

	Estimated Fair Value				
(in millions)	Level 1	Level 2	Level 3	Total	Carrying Value
March 31, 2025					
Assets:					
Mortgage and other loans receivable	**$ —**	**$ 339**	**$ 3,333**	**$ 3,672**	**$ 3,737**
Other invested assets	**—**	**546**	**5**	**551**	**551**
Short-term investments	**—**	**4,389**	**—**	**4,389**	**4,389**
Cash	**1,393**	**—**	**—**	**1,393**	**1,393**
Other assets	**13**	**—**	**—**	**13**	**13**
Liabilities:					
Fortitude Re funds withheld payable	**—**	**—**	**3,294**	**3,294**	**3,294**
Long-term debt	**—**	**8,085**	**1**	**8,086**	**8,596**
Debt of consolidated investment entities	**—**	**—**	**157**	**157**	**157**

(in millions)	Estimated Fair Value Level 1	Level 2	Level 3	Total	Carrying Value
December 31, 2024					
Assets:					
Mortgage and other loans receivable	$ —	$ 339	$ 3,413	$ 3,752	$ 3,868
Other invested assets	—	578	5	583	583
Short-term investments	—	4,673	—	4,673	4,673
Cash	1,302	—	—	1,302	1,302
Other assets	15	—	—	15	15
Liabilities:					
Fortitude Re funds withheld payable	—	—	3,335	3,335	3,335
Long-term debt	—	7,981	240	8,221	8,764
Debt of consolidated investment entities	—	—	158	158	158

6. Investments

SECURITIES AVAILABLE FOR SALE

The following table presents the amortized cost and fair value of our available for sale securities:

(in millions)	Amortized Cost	Allowance for Credit Losses[(a)]	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
March 31, 2025					
Bonds available for sale:					
U.S. government and government sponsored entities	**$ 3,225**	**$ —**	**$ 30**	**$ (78)**	**$ 3,177**
Obligations of states, municipalities and political subdivisions	**3,062**	**—**	**47**	**(78)**	**3,031**
Non-U.S. governments	**7,119**	**(1)**	**58**	**(449)**	**6,727**
Corporate debt	**36,090**	**(18)**	**356**	**(1,615)**	**34,813**
Mortgage-backed, asset-backed and collateralized:					
RMBS	**9,121**	**(6)**	**277**	**(340)**	**9,052**
CMBS	**3,591**	**(5)**	**47**	**(68)**	**3,565**
CLO/ABS	**5,678**	**—**	**32**	**(48)**	**5,662**
Total mortgage-backed, asset-backed and collateralized	**18,390**	**(11)**	**356**	**(456)**	**18,279**
Total bonds available for sale[(b)]	**$ 67,886**	**$ (30)**	**$ 847**	**$ (2,676)**	**$ 66,027**
December 31, 2024					
Bonds available for sale:					
U.S. government and government sponsored entities	$ 3,346	$ —	$ 20	$ (99)	$ 3,267
Obligations of states, municipalities and political subdivisions	3,223	—	32	(112)	3,143
Non-U.S. governments	8,644	(1)	54	(590)	8,107
Corporate debt	33,031	(28)	581	(1,758)	31,826
Mortgage-backed, asset-backed and collateralized:					
RMBS	8,820	(6)	209	(419)	8,604
CMBS	3,988	(3)	32	(91)	3,926
CLO/ABS	5,143	—	34	(44)	5,133
Total mortgage-backed, asset-backed and collateralized	17,951	(9)	275	(554)	17,663
Total bonds available for sale[(b)]	$ 66,195	$ (38)	$ 962	$ (3,113)	$ 64,006

(a) Represents the allowance for credit losses that has been recognized. Changes in the allowance for credit losses are recorded through Net realized gains (losses) and are not recognized in OCI.

(b) At March 31, 2025 and December 31, 2024, the fair value of bonds available for sale held by us that were below investment grade or not rated totaled $5.5 billion or 8 percent and $3.6 billion or 6 percent, respectively.

Securities Available for Sale in a Loss Position for Which No Allowance for Credit Loss Has Been Recorded

The following table summarizes the fair value and gross unrealized losses on our available for sale securities, aggregated by major investment category and length of time that individual securities have been in a continuous unrealized loss position for which no allowance for credit loss has been recorded:

	Less than 12 Months		12 Months or More		Total	
(in millions)	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
March 31, 2025						
Bonds available for sale:						
U.S. government and government sponsored entities	**$ 655**	**$ 7**	**$ 355**	**$ 71**	**$ 1,010**	**$ 78**
Obligations of states, municipalities and political subdivisions	**733**	**13**	**582**	**65**	**1,315**	**78**
Non-U.S. governments	**1,947**	**60**	**1,749**	**385**	**3,696**	**445**
Corporate debt	**10,136**	**220**	**10,037**	**1,356**	**20,173**	**1,576**
RMBS	**1,407**	**42**	**1,843**	**272**	**3,250**	**314**
CMBS	**801**	**12**	**650**	**46**	**1,451**	**58**
CLO/ABS	**2,497**	**20**	**298**	**28**	**2,795**	**48**
Total bonds available for sale	**$ 18,176**	**$ 374**	**$ 15,514**	**$ 2,223**	**$ 33,690**	**$ 2,597**

	Less than 12 Months		12 Months or More		Total	
(in millions)	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
December 31, 2024						
Bonds available for sale:						
U.S. government and government sponsored entities	$ 1,718	$ 21	$ 358	$ 78	$ 2,076	$ 99
Obligations of states, municipalities and political subdivisions	1,502	33	586	79	2,088	112
Non-U.S. governments	1,964	55	3,446	534	5,410	589
Corporate debt	10,347	234	10,907	1,515	21,254	1,749
RMBS	3,711	58	2,147	343	5,858	401
CMBS	1,052	18	992	71	2,044	89
CLO/ABS	1,368	9	315	35	1,683	44
Total bonds available for sale	$ 21,662	$ 428	$ 18,751	$ 2,655	$ 40,413	$ 3,083

At March 31, 2025, we held 10,707 individual fixed maturity securities that were in an unrealized loss position and for which no allowance for credit losses has been recorded (including 5,239 individual fixed maturity securities that were in a continuous unrealized loss position for 12 months or more). At December 31, 2024, we held 12,274 individual fixed maturity securities that were in an unrealized loss position and for which no allowance for credit losses has been recorded (including 5,984 individual fixed maturity securities that were in a continuous unrealized loss position for 12 months or more). We did not recognize the unrealized losses in earnings on these fixed maturity securities at March 31, 2025 because it was determined that such losses were due to non-credit factors. Additionally, we neither intend to sell the securities nor do we believe that it is more likely than not that we will be required to sell these securities before recovery of their amortized cost basis. For fixed maturity securities with significant declines, we performed fundamental credit analyses on a security-by-security basis, which included consideration of credit enhancements, liquidity position, expected defaults, industry and sector analysis, forecasts and available market data.

Contractual Maturities of Fixed Maturity Securities Available for Sale

The following table presents the amortized cost and fair value of fixed maturity securities available for sale by contractual maturity:

March 31, 2025	Total Fixed Maturity Securities Available for Sale	
(in millions)	Amortized Cost, Net of Allowance	Fair Value
Due in one year or less	$ 4,290	$ 4,210
Due after one year through five years	22,473	22,353
Due after five years through ten years	16,601	16,085
Due after ten years	6,113	5,100
Mortgage-backed, asset-backed and collateralized	18,379	18,279
Total	$ 67,856	$ 66,027

Actual maturities may differ from contractual maturities because certain borrowers have the right to call or prepay certain obligations with or without call or prepayment penalties.

The following table presents the gross realized gains and gross realized losses from sales or maturities of our available for sale securities:

	Three Months Ended March 31,			
	2025		2024	
(in millions)	Gross Realized Gains	Gross Realized Losses	Gross Realized Gains	Gross Realized Losses
Fixed maturity securities	$ 16	$ 278	$ 15	$ 116

For the three months ended March 31, 2025 and 2024, the aggregate fair value of available for sale securities sold was $4.8 billion and $2.4 billion, respectively, which resulted in net realized gains (losses) of $(262) million and $(101) million, respectively. Included within the net realized gains (losses) are $(7) million and $(15) million of net realized gains (losses) for the three months ended March 31, 2025 and 2024, respectively, which relate to Fortitude Re funds withheld assets. These net realized gains (losses) are included in Net realized gains (losses) on Fortitude Re funds withheld assets.

OTHER SECURITIES MEASURED AT FAIR VALUE

The following table presents the fair value of fixed maturity securities measured at fair value based on our election of the fair value option, which are reported in the other bond securities caption in the financial statements, and equity securities measured at fair value:

	March 31, 2025		December 31, 2024	
(in millions)	Fair Value	Percent of Total	Fair Value	Percent of Total
Fixed maturity securities:				
Obligations of states, municipalities and political subdivisions	$ 51	3 %	$ 50	3 %
Non-U.S. governments	22	1	24	2
Corporate debt	284	19	282	19
Mortgage-backed, asset-backed and collateralized:				
RMBS	100	7	100	7
CMBS	42	3	43	3
CLO/ABS and other collateralized securities	255	17	246	17
Total mortgage-backed, asset-backed and collateralized	397	27	389	27
Total fixed maturity securities	754	50	745	51
Equity securities	733	50	704	49
Total	$ 1,487	100 %	$ 1,449	100 %

OTHER INVESTED ASSETS

The following table summarizes the carrying amounts of other invested assets:

(in millions)	March 31, 2025	December 31, 2024
Alternative investments[(a)]	$ 4,133	$ 4,032
Retained investment in Corebridge using fair value option	4,018	3,810
All other investments[(b)]	1,836	1,986
Total	$ 9,987	$ 9,828

(a) At March 31, 2025, includes hedge funds of $200 million and private equity funds of $3.7 billion. At December 31, 2024, included hedge funds of $187 million and private equity funds of $3.6 billion. Private equity funds investments include limited partnerships, direct equities and real estate partnerships. Also includes investments in real estate, net of accumulated depreciation. At March 31, 2025 and December 31, 2024, the accumulated depreciation was $164 million and $161 million, respectively.

(b) All other investments include mainly bank deposits with a maturity greater than one year and investments in joint ventures with strategic partners.

NET INVESTMENT INCOME

The following table presents the components of Net investment income:

Three Months Ended March 31,	2025			2024		
(in millions)	Excluding Fortitude Re Funds Withheld Assets	Fortitude Re Funds Withheld Assets	Total	Excluding Fortitude Re Funds Withheld Assets	Fortitude Re Funds Withheld Assets	Total
Available for sale fixed maturity securities, including short-term investments	$ 790	$ 22	$ 812	$ 765	$ 22	$ 787
Other fixed maturity securities	—	11	11	(5)	7	2
Equity securities	9	—	9	88	—	88
Interest on mortgage and other loans	44	7	51	68	9	77
Alternative investments[(a)]	43	—	43	55	(1)	54
Other investments[(b)]	217	—	217	22	2	24
Total investment income	1,103	40	1,143	993	39	1,032
Investment expenses	38	—	38	53	—	53
Net investment income	$ 1,065	$ 40	$ 1,105	$ 940	$ 39	$ 979

(a) Includes income from hedge funds, private equity funds and real estate investments. Hedge funds are recorded as of the balance sheet date. Private equity funds are generally reported on a one-quarter lag.

(b) Includes dividends received from Corebridge and changes in its stock price of $31 million and $209 million, respectively, for the three months ended March 31, 2025.

NET REALIZED GAINS AND LOSSES

The following table presents the components of Net realized gains (losses):

Three Months Ended March 31,	2025			2024		
(in millions)	Excluding Fortitude Re Funds Withheld Assets	Fortitude Re Funds Withheld Assets	Total	Excluding Fortitude Re Funds Withheld Assets	Fortitude Re Funds Withheld Assets	Total
Sales of fixed maturity securities	$ (255)	$ (7)	$ (262)	$ (86)	$ (15)	$ (101)
Change in allowance for credit losses on fixed maturity securities	8	—	8	(1)	—	(1)
Change in allowance for credit losses on loans	5	4	9	(8)	(2)	(10)
Foreign exchange transactions	220	6	226	59	(3)	56
All other derivatives and hedge accounting	(28)	(6)	(34)	(48)	2	(46)
Sales of alternative investments	—	—	—	10	(1)	9
Other	(10)	1	(9)	15	—	15
Net realized gains (losses) – excluding Fortitude Re funds withheld embedded derivative	(60)	(2)	(62)	(59)	(19)	(78)
Net realized losses on Fortitude Re funds withheld embedded derivative	—	(41)	(41)	—	(9)	(9)
Net realized gains (losses)	$ (60)	$ (43)	$ (103)	$ (59)	$ (28)	$ (87)

CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS

The following table presents the increase (decrease) in unrealized appreciation (depreciation) of our available for sale securities and other investments:

Three Months Ended March 31, *(in millions)*	2025	2024
Fixed maturity securities*	$ 322	$ (132)

* Excludes net unrealized gains and losses attributable to businesses held for sale or reclassified to discontinued operations at March 31, 2024.

The following table summarizes the unrealized gains and losses recognized in Net investment income during the reporting period on equity securities and other investments still held at the reporting date:

Three Months Ended March 31,	2025			2024		
(in millions)	Equities	Other Invested Assets*	Total	Equities	Other Invested Assets	Total
Net gains recognized during the period on equity securities and other investments	$ 9	$ 233	$ 242	$ 88	$ 83	$ 171
Less: Net gains (losses) recognized during the period on equity securities and other investments sold during the period	13	(1)	12	40	(1)	39
Unrealized gains (losses) recognized during the reporting period on equity securities and other investments still held at the reporting date	$ (4)	$ 234	$ 230	$ 48	$ 84	$ 132

* Includes unrealized gains (losses) on AIG's ownership interest in Corebridge of $209 million in the three months ended March 31, 2025.

EVALUATING INVESTMENTS FOR AN ALLOWANCE FOR CREDIT LOSSES AND IMPAIRMENTS

For a discussion of our policy for evaluating investments for an allowance for credit losses, see Note 6 to the Consolidated Financial Statements in the 2024 Annual Report.

Credit Impairments

The following table presents a rollforward of the changes in allowance for credit losses on available for sale fixed maturity securities by major investment category:

Three Months Ended March 31,	2025			2024		
(in millions)	Structured	Non-Structured	Total	Structured	Non-Structured	Total
Balance, beginning of year	$ 10	$ 28	$ 38	$ 13	$ 21	$ 34
Additions:						
Securities for which allowance for credit losses was not previously recorded	—	2	2	—	4	4
Reductions:						
Securities sold during the period	—	(4)	(4)	—	1	1
Addition to (release of) the allowance for credit losses on securities that had an allowance recorded in a previous period, for which there was no intent to sell before recovery of amortized cost basis	1	1	2	(10)	7	(3)
Write-offs charged against the allowance	—	(8)	(8)	—	(8)	(8)
Balance, end of period	$ 11	$ 19	$ 30	$ 3	$ 25	$ 28

Purchased Credit Deteriorated Securities

We purchase certain RMBS securities that have experienced more-than-insignificant deterioration in credit quality since origination. These are referred to as PCD assets. At the time of purchase an allowance is recognized for these PCD assets by adding it to the purchase price to arrive at the initial amortized cost. There is no credit loss expense recognized upon acquisition of a PCD asset. When determining the initial allowance for credit losses, management considers the historical performance of underlying assets and available market information as well as bond-specific structural considerations, such as credit enhancement and the priority of payment structure of the security. In addition, the process of estimating future cash flows includes, but is not limited to, the following critical inputs:

- Current delinquency rates;
- Expected default rates and the timing of such defaults;
- Loss severity and the timing of any recovery; and
- Expected prepayment speeds.

Subsequent to the acquisition date, the PCD assets follow the same accounting as other structured securities that are not high credit quality.

We did not purchase securities with more than insignificant credit deterioration since their origination during the three months ended March 31, 2025 and 2024.

PLEDGED INVESTMENTS

Secured Financing and Similar Arrangements

We enter into secured financing transactions whereby certain securities are sold under agreements to repurchase (repurchase agreements), in which we transfer securities in exchange for cash, with an agreement by us to repurchase the same or substantially similar securities. Our secured financing transactions also include those that involve the transfer of securities to financial institutions in exchange for cash (securities lending agreements). In all of these secured financing transactions, the securities transferred by us (pledged collateral) may be sold or repledged by the counterparties. These agreements are recorded at their contracted amounts plus accrued interest, other than those that are accounted for at fair value.

Pledged collateral levels are monitored daily and are generally maintained at an agreed-upon percentage of the fair value of the amounts borrowed during the life of the transactions. In the event of a decline in the fair value of the pledged collateral under these secured financing transactions, we may be required to transfer cash or additional securities as pledged collateral under these agreements. At the termination of the transactions, we and our counterparties are obligated to return the amounts borrowed and the securities transferred, respectively.

We also enter into agreements in which securities are purchased by us under agreements to resell (reverse repurchase agreements), which are accounted for as secured financing transactions and reported as short-term investments or other assets, depending on their terms. These agreements are recorded at their contracted resale amounts plus accrued interest, other than those that are accounted for at fair value. In all reverse repurchase transactions, we take possession of or obtain a security interest in the related securities, and we have the right to sell or repledge this collateral received.

The following table presents information on the fair value of securities pledged to us under reverse repurchase agreements:

(in millions)	**March 31, 2025**	December 31, 2024
Securities collateral pledged to us	**$ 2,257**	$ 2,853

At March 31, 2025 and December 31, 2024, the carrying value of reverse repurchase agreements totaled $2.2 billion and $2.8 billion, respectively.

All secured financing transactions are collateralized and margined on a daily basis consistent with market standards and subject to enforceable master netting arrangements with rights of set off. We do not currently offset any such transactions.

Insurance – Statutory and Other Deposits

The total carrying value of cash and securities deposited by our insurance subsidiaries under requirements of regulatory authorities or other insurance-related arrangements and certain reinsurance contracts, was $7.9 billion and $7.8 billion at March 31, 2025 and December 31, 2024, respectively.

Other Pledges and Restrictions

Certain of our subsidiaries are members of Federal Home Loan Banks (FHLBs) and such membership requires the members to own stock in these FHLBs. We owned an aggregate of $13 million and $13 million of stock in FHLBs at March 31, 2025 and December 31, 2024, respectively. In addition, our subsidiaries have pledged securities available for sale with a fair value of $1.8 billion at March 31, 2025 and $1.6 billion at December 31, 2024.

Investments held in escrow accounts or otherwise subject to restriction as to their use were $73 million and $73 million, comprised of bonds available for sale and short-term investments at March 31, 2025 and December 31, 2024, respectively.

Reinsurance transactions between AIG and Fortitude Re were structured as modified coinsurance (modco) and loss portfolio transfer arrangements with funds withheld.

7. Lending Activities

The following table presents the composition of Mortgage and other loans receivable, net:

(in millions)	March 31, 2025	December 31, 2024
Commercial mortgages[(a)]	$ 3,292	$ 3,305
Life insurance policy loans	5	6
Commercial loans, other loans and notes receivable[(b)]	595	721
Total mortgage and other loans receivable[(c)]	3,892	4,032
Allowance for credit losses[(c)(d)]	(155)	(164)
Mortgage and other loans receivable, net[(c)]	$ 3,737	$ 3,868

(a) Commercial mortgages primarily represent loans for apartments, offices and retail properties, with exposures in California and New York representing the largest geographic concentrations (aggregating approximately 14 percent and 11 percent, respectively, at March 31, 2025 and 14 percent and 12 percent, respectively, at December 31, 2024).

(b) There were no loans that were held-for-sale carried at lower of cost or market as of March 31, 2025 and December 31, 2024.

(c) Excludes $37.6 billion at both March 31, 2025 and December 31, 2024 of loans receivable from AIG Financial Products Corp. (AIGFP), which has a full allowance for credit losses, recognized upon the deconsolidation of AIGFP. *For additional information, see Note 1 to the Consolidated Financial Statements in the 2024 Annual Report.*

(d) Does not include allowance for credit losses of $8 million at both March 31, 2025 and December 31, 2024, in relation to off-balance-sheet commitments to fund commercial mortgage loans, which is recorded in Other liabilities.

Interest income is not accrued when payment of contractual principal and interest is not expected. Any cash received on impaired loans is generally recorded as a reduction of the current carrying amount of the loan. Accrual of interest income is generally resumed when delinquent contractual principal and interest is repaid or when a portion of the delinquent contractual payments are made and the ongoing required contractual payments have been made for an appropriate period. As of March 31, 2025 and December 31, 2024, $259 million and $252 million, respectively, of commercial mortgage loans were placed on nonaccrual status.

Accrued interest is presented separately and is included in Accrued investment income on the Condensed Consolidated Balance Sheets. As of March 31, 2025 and December 31, 2024, accrued interest receivable was $16 million and $15 million, respectively, associated with commercial mortgage loans.

A significant majority of commercial mortgages in the portfolio are non-recourse loans and, accordingly, the only guarantees are for specific items that are exceptions to the non-recourse provisions. It is therefore extremely rare for us to have cause to enforce the provisions of a guarantee on a commercial real estate or mortgage loan.

Nonperforming loans are generally those loans where payment of contractual principal or interest is more than 90 days past due. Nonperforming loans were not significant for any of the periods presented.

CREDIT QUALITY OF COMMERCIAL MORTGAGES

The following table presents debt service coverage ratios[(a)] for commercial mortgages by year of vintage:

March 31, 2025 (in millions)	2025	2024	2023	2022	2021	Prior	Total
>1.2X	$ 10	$ 124	$ 502	$ 194	$ 562	$ 1,521	$ 2,913
1.00 - 1.20X	—	30	10	16	18	49	123
<1.00X	—	—	—	—	32	224	256
Total commercial mortgages	$ 10	$ 154	$ 512	$ 210	$ 612	$ 1,794	$ 3,292

December 31, 2024 (in millions)	2024	2023	2022	2021	2020	Prior	Total
>1.2X	$ 120	$ 484	$ 185	$ 563	$ 79	$ 1,482	$ 2,913
1.00 - 1.20X	26	10	15	17	—	49	117
<1.00X	—	—	—	32	—	243	275
Total commercial mortgages	$ 146	$ 494	$ 200	$ 612	$ 79	$ 1,774	$ 3,305

The following table presents loan-to-value ratios[(b)] for commercial mortgages by year of vintage:

March 31, 2025 (in millions)	2025	2024	2023	2022	2021	Prior	Total
Less than 65%	$ 10	$ 114	$ 426	$ 187	$ 462	$ 1,044	$ 2,243
65% to 75%	—	—	86	—	84	316	486
76% to 80%	—	—	—	—	—	74	74
Greater than 80%	—	40	—	23	66	360	489
Total commercial mortgages	$ 10	$ 154	$ 512	$ 210	$ 612	$ 1,794	$ 3,292

December 31, 2024 (in millions)	2024	2023	2022	2021	2020	Prior	Total
Less than 65%	$ 107	$ 433	$ 177	$ 485	$ 71	$ 1,012	$ 2,285
65% to 75%	—	40	—	54	—	317	411
76% to 80%	—	—	—	31	—	51	82
Greater than 80%	39	21	23	42	8	394	527
Total commercial mortgages	$ 146	$ 494	$ 200	$ 612	$ 79	$ 1,774	$ 3,305

(a) The debt service coverage ratio compares a property's net operating income to its debt service payments, including principal and interest. Our weighted average debt service coverage ratio was 1.8x at both March 31, 2025 and December 31, 2024. The debt service coverage ratios are updated when additional relevant information becomes available.

(b) The loan-to-value ratio compares the current unpaid principal balance of the loan to the estimated fair value of the underlying property collateralizing the loan. Our weighted average loan-to-value ratio was 67 percent and 65 percent at March 31, 2025 and December 31, 2024, respectively. The loan-to-value ratios have been updated within the last three months to reflect the current carrying values of the loans. We update the valuations of collateral properties by obtaining independent appraisals, generally at least once per year.

The following table presents supplementary credit quality information related to commercial mortgages:

	Number of Loans	Class							Percent of Total
(dollars in millions)		Apartments	Offices	Retail	Industrial	Hotel	Others	Total	
March 31, 2025									
Past Due Status:									
In good standing	180	$ 1,117	$ 962	$ 350	$ 288	$ 252	$ 122	$ 3,091	94 %
90 days or less delinquent	1	—	5	—	—	—	—	5	—
>90 days delinquent or in process of foreclosure	4	—	137	59	—	—	—	196	6
Total*	185	$ 1,117	$ 1,104	$ 409	$ 288	$ 252	$ 122	$ 3,292	100 %
Allowance for credit losses		$ 2	$ 105	$ 33	$ 4	$ 10	$ 1	$ 155	5 %

	Number of Loans	Class							Percent of Total
(dollars in millions)		Apartments	Offices	Retail	Industrial	Hotel	Others	Total	
December 31, 2024									
Past Due Status:									
In good standing	186	$ 1,087	$ 971	$ 370	$ 301	$ 258	$ 119	$ 3,106	94 %
90 days or less delinquent	1	—	25	—	—	—	—	25	1
>90 days delinquent or in process of foreclosure	3	—	112	62	—	—	—	174	5
Total*	190	$ 1,087	$ 1,108	$ 432	$ 301	$ 258	$ 119	$ 3,305	100 %
Allowance for credit losses		$ 5	$ 99	$ 34	$ 11	$ 13	$ 1	$ 163	5 %

* Does not reflect allowance for credit losses.

METHODOLOGY USED TO ESTIMATE THE ALLOWANCE FOR CREDIT LOSSES

For a discussion of our accounting policy for evaluating Mortgage and other loans receivable for impairment, see Note 7 to the Consolidated Financial Statements in the 2024 Annual Report.

The following table presents a rollforward of the changes in the allowance for credit losses on Mortgage and other loans receivable[(a)(b)]:

Three Months Ended March 31,	2025			2024		
(in millions)	Commercial Mortgages	Other Loans	Total	Commercial Mortgages	Other Loans	Total
Allowance, beginning of year	**$ 163**	**$ 1**	**$ 164**	$ 138	$ 2	$ 140
Addition to (release of) allowance for loan losses	**(8)**	**(1)**	**(9)**	12	1	13
Allowance, end of period	**$ 155**	**$ —**	**$ 155**	$ 150	$ 3	$ 153

(a) Does not include allowance for credit losses of $8 million and $6 million at March 31, 2025 and 2024, respectively, in relation to off-balance-sheet commitments to fund commercial mortgage loans, which is recorded in Other liabilities.

(b) Excludes $37.6 billion of loan receivable from AIGFP, which has a full allowance for credit losses, recognized upon the deconsolidation of AIGFP. *For additional information, see Note 1 to the Consolidated Financial Statements in the 2024 Annual Report.*

Our expectations and models used to estimate the allowance for losses on commercial mortgage loans are regularly updated to reflect the current economic environment.

LOAN MODIFICATIONS

The allowance for credit losses incorporates an estimate of lifetime expected credit losses and is recorded on each asset upon asset origination or acquisition. The starting point for the estimate of the allowance for credit losses is historical loss information, which includes losses from modifications of receivables to borrowers experiencing financial difficulty. We use a probability of default/loss given default model to determine the allowance for credit losses for our commercial mortgage loans. An assessment of whether a borrower is experiencing financial difficulty is made on the date of a modification.

Because the effect of most modifications made to borrowers experiencing financial difficulty is already included in the allowance for credit losses utilizing the measurement methodologies used to estimate the allowance, a change to the allowance for credit losses is generally not recorded upon modification.

When modifications are executed, they often will be in the form of principal forgiveness, term extensions, interest rate reductions, or some combination of any of these concessions. When principal is forgiven, the amortized cost basis of the asset is written off against the allowance for credit losses. The amount of the principal forgiveness is deemed to be uncollectible; therefore, that portion of the loan is written off, resulting in a reduction of the amortized cost basis and a corresponding adjustment to the allowance for credit losses.

We assess whether a borrower is experiencing financial difficulty based on a variety of factors, including the borrower's current default on any of its outstanding debt, the probability of a default on any of its debt in the foreseeable future without the modification, the insufficiency of the borrower's forecasted cash flows to service any of its outstanding debt (including both principal and interest), and the borrower's inability to access alternative third party financing at an interest rate that would be reflective of current market conditions for a non-troubled debtor.

There were no loans that had defaulted during the three months ended March 31, 2025 and 2024, that had been previously modified with borrowers experiencing financial difficulties.

AIG closely monitors the performance of the loans modified to borrowers experiencing financial difficulty to understand the effectiveness of its modification efforts. All loans with borrowers experiencing financial difficulty that were modified in the 12 months prior to March 31, 2025 are current and performing in conjunction with their modified terms.

8. Reinsurance

FORTITUDE RE

Fortitude Re is the reinsurer of the majority of AIG's run-off operations. The reinsurance transactions are structured as modco and loss portfolio transfer arrangements with funds withheld (funds withheld). In modco and funds withheld arrangements, the investments supporting the reinsurance agreements, and which reflect the majority of the consideration that would be paid to the reinsurer for entering into the transaction, are withheld by, and therefore continue to reside on the balance sheet of, the ceding company (i.e., AIG) thereby creating an obligation for the ceding company to pay the reinsurer (i.e., Fortitude Re) at a later date. Additionally, as AIG maintains ownership of these investments, AIG will maintain its existing accounting for these assets (e.g., the changes in fair value of available for sale securities will be recognized within OCI). AIG has established a funds withheld payable to Fortitude Re while simultaneously establishing a reinsurance asset representing reserves for the insurance coverage that Fortitude Re has assumed. The funds withheld payable contains an embedded derivative and changes in fair value of the embedded derivative related to the funds withheld payable are recognized in earnings through Net realized gains (losses). This embedded derivative is considered a total return swap with contractual returns that are attributable to various assets and liabilities associated with these reinsurance agreements.

As of March 31, 2025, $3.3 billion of reserves related to business written by multiple wholly-owned AIG subsidiaries had been ceded to Fortitude Re under these reinsurance transactions.

There is a diverse pool of assets supporting the funds withheld arrangements with Fortitude Re. The following summarizes the composition of the pool of assets:

	March 31, 2025		December 31, 2024		
(in millions)	Carrying Value	Fair Value	Carrying Value	Fair Value	Corresponding Accounting Policy
Fixed maturity securities - available for sale[(a)]	$ 1,918	$ 1,918	$ 1,918	$ 1,918	Fair value through other comprehensive income (loss)
Fixed maturity securities - fair value option	729	729	721	721	Fair value through net investment income
Commercial mortgage loans	477	465	450	437	Amortized cost
Short-term investments	22	22	15	15	Fair value through net investment income
Funds withheld investment assets	3,146	3,134	3,104	3,091	
Derivative assets, net[(b)]	—	—	1	1	Fair value through net realized gains (losses)
Other[(c)]	81	81	115	115	Amortized cost
Total	$ 3,227	$ 3,215	$ 3,220	$ 3,207	

(a) The change in the net unrealized gains (losses) on available for sale securities related to the Fortitude Re funds withheld assets was $(2) million ($(2) million after-tax) and $(35) million ($(28) million after-tax), respectively for the three months ended March 31, 2025 and for the year ended December 31, 2024.

(b) The derivative assets and liabilities have been presented net of cash collateral. The derivative assets and liabilities supporting the Fortitude Re funds withheld arrangements had a fair market value of $1 million and $33 million, respectively, as of March 31, 2025. The derivative assets and liabilities supporting the Fortitude Re funds withheld arrangements had a fair market value of $9 million and $2 million, respectively, as of December 31, 2024. These derivative assets and liabilities are fully collateralized either by cash or securities.

(c) Primarily comprised of Cash and Accrued investment income.

The impact of the funds withheld arrangements with Fortitude Re was as follows:

Three Months Ended March 31, *(in millions)*	2025	2024
Net investment income - Fortitude Re funds withheld assets	$ 40	$ 39
Net realized losses on Fortitude Re funds withheld assets:		
Net realized losses - Fortitude Re funds withheld assets	(2)	(19)
Net realized losses - Fortitude Re funds withheld embedded derivative	(41)	(9)
Net realized losses on Fortitude Re funds withheld assets	(43)	(28)
Income (loss) from continuing operations before income tax expense (benefit)	(3)	11
Income tax expense (benefit)[(a)]	(1)	2
Net income (loss)	(2)	9
Change in unrealized depreciation on available for sale securities[(a)]	(2)	(8)
Comprehensive income (loss)	$ (4)	$ 1

(a) The income tax expense (benefit) and the tax impact in Accumulated other comprehensive income (loss) (AOCI) was computed using AIG's U.S. statutory tax rate of 21 percent.

Various assets supporting the Fortitude Re funds withheld arrangements are reported at amortized cost, and as such, changes in the fair value of these assets are not reflected in the financial statements. However, changes in the fair value of these assets are included in the embedded derivative in the Fortitude Re funds withheld arrangement and the appreciation (depreciation) of the asset is the primary driver of the comprehensive income (loss) reflected above.

REINSURANCE – CREDIT LOSSES

The estimation of reinsurance recoverables involves a significant amount of judgment, particularly for latent exposures, such as asbestos, due to their long-tail nature. We assess the collectability of reinsurance recoverable balances in each reporting period, through either historical trends of disputes and credit events or financial analysis of the credit quality of the reinsurer. We record adjustments to reflect the results of these assessments through an allowance for credit losses and disputes on uncollectible reinsurance that reduces the carrying amount of reinsurance and deposit accounting assets on the consolidated balance sheets (collectively, reinsurance recoverables). This estimate requires significant judgment for which key considerations include:

- paid and unpaid amounts recoverable;
- whether the balance is in dispute or subject to legal collection;

- the relative financial health of the reinsurer as classified by the Obligor Risk Ratings (ORRs) we assign to each reinsurer based upon our financial reviews; reinsurers that are financially troubled (i.e., in run-off, have voluntarily or involuntarily been placed in receivership, are insolvent, are in the process of liquidation or otherwise subject to formal or informal regulatory restriction) are assigned ORRs that will generate a significant allowance; and
- whether collateral and collateral arrangements exist.

An estimate of the reinsurance recoverable's lifetime expected credit losses is established utilizing a probability of default and loss given default method, which reflects the reinsurer's ORR. The allowance for credit losses excludes disputed amounts. An allowance for disputes is established for a reinsurance recoverable using the losses incurred model for contingencies.

The total reinsurance recoverables as of March 31, 2025 were $41.5 billion. As of that date, utilizing AIG's ORRs, (i) approximately 84 percent of the reinsurance recoverables were investment grade; (ii) approximately 14 percent of the reinsurance recoverables were non-investment grade and (iii) approximately 2 percent of the reinsurance recoverables related to entities that were not rated by AIG.

The total reinsurance recoverables as of December 31, 2024 were $40.5 billion. As of that date, utilizing AIG's ORRs, (i) approximately 83 percent of the reinsurance recoverables were investment grade; (ii) approximately 15 percent of the reinsurance recoverables were non-investment grade; (iii) approximately 2 percent of the reinsurance recoverables related to entities that were not rated by AIG.

As of March 31, 2025 and December 31, 2024, approximately 80 percent and 81 percent, respectively, of our non-investment grade reinsurance exposure related to captive insurers. These arrangements are typically collateralized by letters of credit, funds withheld or trust agreements.

Reinsurance Recoverable Allowance

The following table presents a rollforward of the reinsurance recoverable allowance:

Three Months Ended March 31, *(in millions)*	2025	2024
Balance, beginning of period	**$ 269**	$ 255
Addition to (release of) allowance for expected credit losses and disputes, net	**3**	1
Write-offs charged against the allowance for credit losses and disputes	**—**	(1)
Other changes	**7**	—
Balance, end of period	**$ 279**	$ 255

Past-Due Status

We consider a reinsurance asset to be past due when it is 90 days past due. The allowance for credit losses is estimated excluding disputed amounts. An allowance for disputes is established using the losses incurred method for contingencies. Past due balances on claims that are not in dispute were not material for any of the periods presented.

9. Deferred Policy Acquisition Costs

DAC represent those costs that are incremental and directly related to the successful acquisition of new or renewal of existing insurance contracts. We defer incremental costs that result directly from, and are essential to, the acquisition or renewal of an insurance contract. Such DAC generally include agent or broker commissions and bonuses, premium taxes, and medical and inspection fees that were related directly to the successful acquisition of new or renewal insurance contracts. Each cost is analyzed to assess whether it is fully deferrable. We partially defer costs, including certain commissions, when we do not believe that the entire cost is directly related to the acquisition or renewal of insurance contracts. Commissions that are not deferred to DAC are recorded in General operating and other expenses in the Condensed Consolidated Statements of Income (Loss).

We also defer a portion of employee total compensation and payroll-related fringe benefits directly related to time spent performing specific acquisition or renewal activities, including costs associated with the time spent on underwriting, policy issuance and processing, and sales force contract selling. The amounts deferred are derived based on successful efforts for each distribution channel and/or cost center from which the cost originates.

The following table presents a rollforward of DAC:

Three Months Ended March 31, (in millions)	2025	2024
Balance, beginning of year	**$ 2,065**	$ 2,117
Capitalization	**750**	882
Amortization expense	**(825)**	(838)
Other, including foreign exchange	**19**	(57)
Balance, end of period	**$ 2,009**	$ 2,104

10. Variable Interest Entities

We enter into various arrangements with Variable Interest Entities (VIEs) in the normal course of business and consolidate the VIEs when we determine we are the primary beneficiary. This analysis includes a review of the VIE's capital structure, related contractual relationships and terms, nature of the VIE's operations and purpose, nature of the VIE's interests issued and our involvement with the entity. When assessing the need to consolidate a VIE, we evaluate the design of the VIE as well as the related risks to which the entity was designed to expose the variable interest holders.

The primary beneficiary is the entity that has both (i) the power to direct the activities of the VIE that most significantly affect the entity's economic performance and (ii) the obligation to absorb losses or the right to receive benefits that could be potentially significant to the VIE. While also considering these factors, the consolidation conclusion depends on the breadth of our decision-making ability and our ability to influence activities that significantly affect the economic performance of the VIE.

For unconsolidated VIEs we calculate our maximum exposure to loss to be (i) the amount invested in the debt or equity of the VIE, (ii) the notional amount of VIE assets or liabilities where we have also provided credit protection to the VIE with the VIE as the referenced obligation, and (iii) other commitments and guarantees to the VIE.

The following table presents total assets of unconsolidated VIEs in which we hold a variable interest, as well as our maximum exposure to loss associated with these VIEs:

		Maximum Exposure to Loss		
(in millions)	Total VIE Assets	On-Balance Sheet[c]	Off-Balance Sheet	Total
March 31, 2025				
Real estate and investment entities[a]	**$ 374,337**	**$ 3,188**	**$ 1,136** [d]	**$ 4,324**
Other[b]	**4,452**	**159**	**756** [e]	**915**
Total	**$ 378,789**	**$ 3,347**	**$ 1,892**	**$ 5,239**
December 31, 2024				
Real estate and investment entities[a]	$ 367,661	$ 2,723	$ 839 [d]	$ 3,562
Other[b]	4,639	255	754 [e]	1,009
Total	$ 372,300	$ 2,978	$ 1,593	$ 4,571

(a) Comprised primarily of hedge funds and private equity funds.

(b) At March 31, 2025 and December 31, 2024, excludes approximately $1,745 million and $1,925 million, respectively, of VIE assets related to AIGFP and its consolidated subsidiaries, with maximum off-balance sheet exposure to loss of $1,721 million and $1,894 million, respectively. *For additional information, see Note 1 to the Consolidated Financial Statements in the 2024 Annual Report.*

(c) At March 31, 2025 and December 31, 2024, $3.4 billion and $2.9 billion, respectively, of our total unconsolidated VIE assets were recorded as Other invested assets.

(d) These amounts represent our unfunded commitments to invest in private equity funds.

(e) These amounts represent our estimate of the maximum exposure to loss under certain insurance policies issued to VIEs if a hypothetical loss occurred to the extent of the full amount of the insured value. Our insurance policies cover defined risks and our estimate of liability is included in our insurance reserves on the balance sheet.

11. Derivatives and Hedge Accounting

We use derivatives and other financial instruments as part of our financial risk management programs and as part of our investment operations. Interest rate derivatives (such as interest rate swaps) are used to manage interest rate risk associated with embedded derivatives contained in insurance contract liabilities, fixed maturity securities, outstanding medium- and long-term notes as well as other interest rate sensitive assets and liabilities. Foreign exchange derivatives (principally foreign exchange forwards and swaps) are used to economically mitigate risk associated with non-U.S. dollar denominated debt, net capital exposures, foreign currency transactions, and foreign denominated investments. Equity derivatives are used to economically mitigate financial risk associated with embedded derivatives. We use credit derivatives to manage our credit exposures. The derivatives are effective economic hedges of the exposures that they are meant to offset. In addition to hedging activities, we also enter into derivative contracts with respect to investment operations, which may include, among other things, credit default swaps (CDSs), total return swaps and purchases of investments with embedded derivatives, such as equity-linked notes and convertible bonds.

The following table presents the notional amounts of our derivatives and the fair value of derivative assets and liabilities in the Condensed Consolidated Balance Sheets:

	March 31, 2025				December 31, 2024			
	Gross Derivative Assets		Gross Derivative Liabilities		Gross Derivative Assets		Gross Derivative Liabilities	
(in millions)	Notional Amount	Fair Value	Notional Amount	Fair Value	Notional Amount	Fair Value	Notional Amount	Fair Value
Derivatives designated as hedging instruments:[a]								
Foreign exchange contracts	$ 788	$ 46	$ 855	$ 71	$ 879	$ 66	$ 906	$ 109
Derivatives not designated as hedging instruments:[a]								
Interest rate contracts	874	250	948	278	841	277	913	304
Foreign exchange contracts	2,465	163	2,047	151	3,095	230	1,707	158
Equity contracts	21	15	21	15	29	20	29	20
Credit contracts[b]	52	31	147	31	52	31	147	31
Other contracts[c]	—	—	—	—	—	—	—	—
Total derivatives, gross	$ 4,200	$ 505	$ 4,018	$ 546	$ 4,896	$ 624	$ 3,702	$ 622
Counterparty netting[d]		(225)		(225)		(270)		(270)
Cash collateral[e]		(226)		(240)		(304)		(201)
Total derivatives on Condensed Consolidated Balance Sheets[f]		$ 54		$ 81		$ 50		$ 151

(a) Fair value amounts are shown before the effects of counterparty netting adjustments and offsetting cash collateral.

(b) As of March 31, 2025 and December 31, 2024, included CDSs on super senior multi-sector CLO with a net notional amount of $46 million and $48 million (fair value liability of $30 million and $30 million, respectively). The net notional amount represents the maximum exposure to loss on the portfolio.

(c) Consists primarily of stable value wraps and contracts with multiple underlying exposures.

(d) Represents netting of derivative exposures covered by a qualifying master netting agreement.

(e) Represents cash collateral posted and received that is eligible for netting.

(f) Freestanding derivatives only, excludes embedded derivatives. Derivative instrument assets and liabilities are recorded in Other assets and Other liabilities, respectively. Fair value of assets related to bifurcated embedded derivatives was $3.2 billion at March 31, 2025 and $3.2 billion at December 31, 2024. Fair value of liabilities related to bifurcated embedded derivatives was zero at both March 31, 2025 and December 31, 2024. A bifurcated embedded derivative is generally presented with the host contract in the Condensed Consolidated Balance Sheets. Embedded derivatives are primarily related to the funds withheld arrangement with Fortitude Re. *For additional information, see Note 8.*

COLLATERAL

We engage in derivative transactions that are not subject to a clearing requirement directly with unaffiliated third parties, in most cases, under International Swaps and Derivatives Association, Inc. (ISDA) Master Agreements. Many of the ISDA Master Agreements also include Credit Support Annex provisions, which provide for collateral postings that may vary at various ratings and threshold levels. We attempt to reduce our risk with certain counterparties by entering into agreements that enable collateral to be obtained from a counterparty on an upfront or contingent basis. We minimize the risk that counterparties might be unable to fulfill their contractual obligations by monitoring counterparty credit exposure and collateral value and generally requiring additional collateral to be posted upon the occurrence of certain events or circumstances. In addition, certain derivative transactions have provisions that require collateral to be posted by us upon a downgrade of our long-term debt ratings or give the counterparty the right to terminate the transaction. In the case of some of the derivative transactions, upon a downgrade of our long-term debt ratings, as an alternative to posting collateral and subject to certain conditions, we may assign the transaction to an obligor with higher debt ratings or arrange for a substitute guarantee of our obligations by an obligor with higher debt ratings or take other similar action. The actual amount of collateral required to be posted to counterparties in the event of such downgrades, or the aggregate amount of payments that we could be required to make, depends on market conditions, the fair value of outstanding affected transactions and other factors prevailing at and after the time of the downgrade.

Collateral posted by us to third parties for derivative transactions was $412 million and $601 million at March 31, 2025 and December 31, 2024, respectively. In the case of collateral posted under derivative transactions that are not subject to clearing, this collateral can generally be repledged or resold by the counterparties. Collateral provided to us from third parties for derivative transactions was $337 million and $595 million at March 31, 2025 and December 31, 2024, respectively. In the case of collateral provided to us under derivative transactions that are not subject to clearing, we generally can repledge or resell collateral.

OFFSETTING

We have elected to present all derivative receivables and derivative payables, and the related cash collateral received and paid, on a net basis on our Condensed Consolidated Balance Sheets when a legally enforceable ISDA Master Agreement exists between us and our derivative counterparty. An ISDA Master Agreement is an agreement governing multiple derivative transactions between two counterparties. The ISDA Master Agreement generally provides for the net settlement of all, or a specified group, of these derivative transactions, as well as transferred collateral, through a single payment, and in a single currency, as applicable. The net settlement provisions apply in the event of a default on, or affecting any, one derivative transaction or a termination event affecting all, or a specified group of, derivative transactions governed by the ISDA Master Agreement.

HEDGE ACCOUNTING

We designated certain derivatives entered into with third parties as fair value hedges of available for sale investment securities held by our insurance subsidiaries. The fair value hedges include foreign currency forwards and cross currency swaps designated as hedges of the change in fair value of foreign currency denominated available for sale securities attributable to changes in foreign exchange rates.

We use foreign currency denominated debt and cross-currency swaps as hedging instruments in net investment hedge relationships to mitigate the foreign exchange risk associated with our non-U.S. dollar functional currency foreign subsidiaries. For net investment hedge relationships where issued debt is used as a hedging instrument, we assess the hedge effectiveness and measure the amount of ineffectiveness based on changes in spot rates. For net investment hedge relationships that use derivatives as hedging instruments, we assess hedge effectiveness and measure hedge ineffectiveness using changes in forward rates. For the three months ended March 31, 2025 and 2024, we recognized gains (losses) of $(71) million and $25 million, respectively, included in Change in foreign currency translation adjustments in OCI related to the net investment hedge relationships.

A qualitative methodology is utilized to assess hedge effectiveness.

The following table presents the gain (loss) recognized in income on our derivative instruments in fair value hedging relationships in the Condensed Consolidated Statements of Income (Loss):

	Gains/(Losses) Recognized in Income for:			
(in millions)	Hedging Derivatives[(a)]	Excluded Components[(b)]	Hedged Items	Net Impact
Three Months Ended March 31, 2025				
Foreign exchange contracts:				
Net realized gains/(losses)	**$ (1)**	**$ (1)**	**$ 1**	**$ (1)**
Three Months Ended March 31, 2024				
Foreign exchange contracts:				
Net realized gains/(losses)	$ (58)	$ (12)	$ 58	$ (12)

(a) Gains and losses on derivative instruments designated and qualifying in fair value hedges that are included in the assessment of hedge effectiveness.

(b) Gains and losses on derivative instruments designated and qualifying in fair value hedges that are excluded from the assessment of hedge effectiveness and recognized in income on a mark-to-market basis.

DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS

The following table presents the effect of derivative instruments not designated as hedging instruments in the Condensed Consolidated Statements of Income (Loss):

Three Months Ended March 31,	Gains (Losses) Recognized in Income	
(in millions)	**2025**	2024
By Derivative Type:		
Interest rate contracts	**$ (1)**	$ (2)
Foreign exchange contracts	**(33)**	(39)
Credit contracts	**—**	1
Embedded derivatives	**(41)**	(9)
Total	**$ (75)**	$ (49)
By Classification:		
Net realized losses - excluding Fortitude Re funds withheld assets	**(28)**	(42)
Net realized losses on Fortitude Re funds withheld assets*	**(47)**	(7)
Total	**$ (75)**	$ (49)

* Includes over-the-counter derivatives supporting the funds withheld arrangements with Fortitude Re and the embedded derivative contained within the funds withheld payable with Fortitude Re.

CREDIT RISK-RELATED CONTINGENT FEATURES

We estimate that at March 31, 2025, based on our outstanding financial derivative transactions, a downgrade of our long-term senior debt ratings to BBB or BBB– by Standard & Poor's Financial Services LLC, a subsidiary of S&P Global Inc., and/or a downgrade to Baa2 or Baa3 by Moody's Investors' Service, Inc. would permit counterparties to make additional collateral calls and permit certain counterparties to elect early termination of contracts, resulting in corresponding collateral postings and termination payments in the total amount of up to approximately $5 million. The aggregate fair value of our derivatives that were in a net liability position and that contain such credit risk-related contingencies which can be triggered below our long-term senior debt ratings of BBB+ or Baa1 was approximately $30 million and $30 million at March 31, 2025 and December 31, 2024, respectively. The aggregate fair value of assets posted as collateral under these contracts at March 31, 2025 and December 31, 2024, was approximately $30 million and $30 million, respectively.

12. Insurance Liabilities

LIABILITY FOR UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES (LOSS RESERVES)

Loss reserves represent the accumulation of estimates of unpaid claims, including estimates for claims incurred but not reported and loss adjustment expenses, less applicable discount. We regularly review and update the methods used to determine loss reserve estimates. Any adjustments resulting from this review are reflected currently in pre-tax income, except to the extent such adjustment impacts a deferred gain under a retroactive reinsurance agreement, in which case the ceded portion would be amortized into pre-tax income in subsequent periods. Because these estimates are subject to the outcome of future events, changes in estimates are common given that loss trends vary and time is often required for changes in trends to be recognized and confirmed. Reserve changes that increase previous estimates of ultimate cost are referred to as unfavorable or adverse development or reserve strengthening. Reserve changes that decrease previous estimates of ultimate cost are referred to as favorable development or reserve releases.

Our gross loss reserves before reinsurance and discount are net of contractual deductible recoverable amounts due from policyholders of approximately $12.1 billion and $12.1 billion at March 31, 2025 and December 31, 2024, respectively. These recoverable amounts are related to certain policies with high deductibles (in excess of high dollar amounts retained by the insured through self-insured retentions, deductibles, retrospective programs, or captive arrangements, each referred to generically as "deductibles"), primarily for U.S. Commercial casualty business. With respect to the deductible portion of the claim, we manage and pay the entire claim on behalf of the insured and are reimbursed by the insured for the deductible portion of the claim. Thus, these recoverable amounts represent a credit exposure to us. At March 31, 2025 and December 31, 2024 we held collateral of approximately $8.7 billion and $8.6 billion, respectively, for these deductible recoverable amounts, consisting primarily of letters of credit and funded trust agreements. Allowance for credit losses for the unsecured portion of these recoverable amounts was $14 million at both March 31, 2025 and December 31, 2024.

The following table presents the rollforward of activity in loss reserves:

Three Months Ended March 31, *(in millions)*	2025	2024
Liability for unpaid loss and loss adjustment expenses, beginning of year	$ 69,168	$ 70,393
Reinsurance recoverable	(29,026)	(30,289)
Net Liability for unpaid loss and loss adjustment expenses, beginning of year	40,142	40,104
Losses and loss adjustment expenses incurred:		
Current year	3,809	3,365
Prior years, excluding discount and amortization of deferred gain	(33)	—
Prior years, discount charge (benefit)	40	106
Prior years, amortization of deferred gain on retroactive reinsurance[(a)]	(22)	(32)
Total losses and loss adjustment expenses incurred	3,794	3,439
Losses and loss adjustment expenses paid:		
Current year	(429)	(286)
Prior years	(2,961)	(2,857)
Total losses and loss adjustment expenses paid	(3,390)	(3,143)
Other changes:		
Foreign exchange effect	484	(496)
Losses and loss adjustment expenses recognized within gain on divestitures	32	—
Retroactive reinsurance adjustment (net of discount)[(b)]	35	(8)
Reclassified to held for sale, net of reinsurance recoverables	—	(5)
Total other changes	551	(509)
Liability for unpaid loss and loss adjustment expenses, end of period:		
Net liability for unpaid losses and loss adjustment expenses	41,097	39,891
Reinsurance recoverable	27,799	30,169
Total	$ 68,896	$ 70,060

(a) Includes $5 million and $5 million for the retroactive reinsurance agreement with National Indemnity Company (NICO), a subsidiary of Berkshire Hathaway Inc. (Berkshire), covering U.S. asbestos exposures for the three months ended March 31, 2025 and 2024, respectively.

(b) Includes benefit (charge) from change in discount on retroactive reinsurance in the amount of $1 million and $55 million for the three months ended March 31, 2025 and 2024, respectively.

On January 20, 2017, we entered into an adverse development reinsurance agreement with NICO, under which we transferred to NICO 80 percent of the reserve risk on substantially all of our U.S. commercial long-tail exposures for accident years 2015 and prior. Under this agreement, we ceded to NICO 80 percent of the paid losses on subject business paid on or after January 1, 2016 in excess of $25 billion of net paid losses, up to an aggregate limit of $25 billion. At NICO's 80 percent share, NICO's limit of liability under the contract is $20 billion. We account for this transaction as retroactive reinsurance. We paid total consideration, including interest, of $10.2 billion. The consideration was placed into a collateral trust account as security for NICO's claim payment obligations, and Berkshire has provided a parental guarantee to secure the obligations of NICO under the agreement.

Prior Year Development

During the three months ended March 31, 2025, we recognized favorable prior year loss reserve development of $33 million excluding discount and amortization of deferred gain. The development in this period was largely driven by favorable development in U.S. Property and Global Specialty.

During the three months ended March 31, 2024, we did not recognize any prior year loss reserve development excluding discount and amortization of deferred gain.

Discounting of Loss Reserves

At March 31, 2025 and December 31, 2024, the loss reserves reflect a net loss reserve discount of $1.2 billion and $1.2 billion, respectively, including tabular and non-tabular calculations based upon the following assumptions:

- The non-tabular workers' compensation discount is calculated separately for companies domiciled in New York, Pennsylvania and Delaware, and follows the statutory regulations (prescribed or historically permitted) for each state.
  - For New York companies, the discount is based on a 5 percent interest rate and the companies' own payout patterns.
  - The Pennsylvania and Delaware regulators have historically approved use of a consistent benchmark discount rate and spread (U.S. Treasury rate plus a liquidity premium) to all of our workers' compensation reserves in our Pennsylvania domiciled and Delaware domiciled companies, as well as our use of updated payout patterns specific to our primary and excess workers compensation portfolios. In 2020, the regulators also approved that the discount rate will be updated on an annual basis.

- The tabular workers' compensation discount is calculated based on the mortality rate used in the 2007 U.S. Life table and interest rates prescribed or permitted by each state (i.e. New York is based on 5 percent interest rate and Pennsylvania and Delaware are based on U.S. Treasury rate plus a liquidity premium). In the case that applying this tabular discount factor to our nominal reserves produces a tabular discount that is greater than the indemnity portion of our case reserves, the tabular discount is capped at our estimate of the indemnity portion of our case reserves (45 percent).

The discount for asbestos reserves has been fully accreted.

At March 31, 2025 and December 31, 2024, the discount consists of $112 million and $107 million of tabular discount, respectively, and $1.0 billion and $1.1 billion of non-tabular discount for workers' compensation, respectively. During the three months ended March 31, 2025 and 2024, the benefit / (charge) from changes in discount of $(17) million and $(76) million, respectively, were recorded as part of Losses and loss adjustment expenses incurred in the Condensed Consolidated Statements of Income (Loss).

The following table presents the components of the loss reserve discount discussed above:

(in millions)	March 31, 2025	December 31, 2024
U.S. workers' compensation	$ 2,094	$ 2,111
Retroactive reinsurance	(935)	(936)
Total reserve discount[(a)(b)]	$ 1,159	$ 1,175

(a) Excludes $190 million and $184 million of discount related to certain long-tail liabilities in the UK at March 31, 2025 and December 31, 2024, respectively.

(b) Includes gross discount of $736 million and $627 million, which was 100 percent ceded to Fortitude Re at March 31, 2025 and December 31, 2024, respectively.

The following table presents the net loss reserve discount benefit (charge):

Three Months Ended March 31, *(in millions)*	2025	2024
Current accident year	$ 23	$ 30
Accretion and other adjustments to prior year discount	(40)	(106)
Net reserve discount benefit (charge)	(17)	(76)
Change in discount on loss reserves ceded under retroactive reinsurance	1	55
Net change in total reserve discount*	$ (16)	$ (21)

* Excludes $6 million and $(2) million of discount related to certain long-tail liabilities in the UK for the three months ended March 31, 2025 and 2024, respectively.

Amortization of Deferred Gain on Retroactive Reinsurance

Amortization of the deferred gain on retroactive reinsurance includes $17 million and $27 million related to the adverse development reinsurance cover with NICO for the three months ended March 31, 2025 and 2024, respectively.

Amounts recognized reflect the amortization of the initial deferred gain at inception, as amended for subsequent changes in the deferred gain due to changes in subject reserves.

FUTURE POLICY BENEFITS

Future policy benefits primarily include reserves for Global Accident & Health (short-duration) contracts.

13. Contingencies, Commitments and Guarantees

In the normal course of business, we enter into various contingent liabilities and commitments. In addition, AIG Parent guarantees various obligations of certain subsidiaries.

Although we cannot currently quantify our ultimate liability for unresolved litigation and investigation matters, including those referred to below, it is possible that such liability could have a material adverse effect on our consolidated financial condition or consolidated results of operations or consolidated cash flows for an individual reporting period.

LEGAL CONTINGENCIES

In the normal course of business, we are subject to regulatory and government investigations and actions, and litigation and other forms of dispute resolution in a large number of proceedings pending in various domestic and foreign jurisdictions. Certain of these matters involve potentially significant risk of loss due to potential for significant jury awards and settlements, punitive damages or other penalties. Many of these matters are also highly complex and may seek recovery on behalf of a class or similarly large number of plaintiffs. It is therefore inherently difficult to predict the size or scope of potential future losses arising from these matters. In our insurance and reinsurance operations, litigation and arbitration concerning the scope of coverage under insurance and reinsurance contracts, and litigation and arbitration in which our subsidiaries defend or indemnify their insureds under insurance contracts, are generally considered in the establishment of our loss reserves. Separate and apart from the foregoing matters involving insurance and reinsurance coverage, AIG Parent, our subsidiaries and their respective officers and directors are subject to a variety of additional types of legal proceedings brought by holders of AIG securities, customers, employees and others, alleging, among other things, breach of contractual or fiduciary duties, bad faith, indemnification and violations of federal and state statutes and regulations. With respect to these other categories of matters not arising out of claims for insurance or reinsurance coverage, we establish reserves for loss contingencies when it is probable that a loss will be incurred and the amount of the loss can be reasonably estimated. In many instances, we are unable to determine whether a loss is probable or to reasonably estimate the amount of such a loss and, therefore, the potential future losses arising from legal proceedings may exceed the amount of liabilities that we have recorded in our financial statements covering these matters. While such potential future charges could be material, based on information currently known to management, management does not believe that any such charges are likely to have a material adverse effect on our financial position or results of operation.

Additionally, from time to time, various regulatory and governmental agencies review our transactions and practices in connection with industry-wide and other inquiries or examinations into, among other matters, the business practices of current and former operating insurance subsidiaries. Such investigations, inquiries or examinations could develop into administrative, civil or criminal proceedings or enforcement actions, in which remedies could include fines, penalties, restitution or alterations in our business practices, and could result in additional expenses, limitations on certain business activities and reputational damage.

OTHER COMMITMENTS

In the normal course of business, we enter into commitments to invest in limited partnerships, private equity funds and hedge funds and to purchase and develop real estate in the U.S. and abroad. These commitments totaled $1.9 billion and $1.8 billion at March 31, 2025 and December 31, 2024, respectively.

GUARANTEES

Subsidiaries

We have issued unconditional guarantees with respect to the prompt payment, when due, of all present and future payment obligations and liabilities of AIGFP and certain of its subsidiaries. We have also issued guarantees of all present and future payment obligations and liabilities of AIG Markets, Inc.

Due to the deconsolidation of AIGFP and its subsidiaries, as of March 31, 2025, a $100 million guarantee related to the obligations of AIGFP and certain of its subsidiaries was recognized, and is reported in Other liabilities.

We continue to guarantee certain policyholder contracts issued by Corebridge subsidiaries as well as certain debt issued by Corebridge Life Holdings, Inc. (CRBGLH). Pursuant to the Separation Agreement entered in by AIG and Corebridge on September 14, 2022, Corebridge must indemnify, defend and hold us harmless from and against any liability related to these guarantees. Also, under a collateral agreement, in the event of: (i) a ratings downgrade of Corebridge or the guaranteed debt below specified levels or (ii) the failure by CRBGLH to pay principal and interest on the guaranteed debt when due, Corebridge must collateralize an amount equal to the sum of: (i) 100 percent of the principal amount outstanding, (ii) accrued and unpaid interest and (iii) 100 percent of the net present value of scheduled interest payments through the maturity dates of the debt.

Business and Asset Dispositions

We are subject to financial guarantees and indemnity arrangements in connection with the completed sales of businesses and assets. The various arrangements may be triggered by, among other things, declines in asset values, the occurrence of specified business contingencies, the realization of contingent liabilities, developments in litigation or breaches of representations, warranties or covenants provided by us. These arrangements are typically subject to various time limitations, defined by the contract or by operation of law, such as statutes of limitation. In some cases, the maximum potential obligation is subject to contractual limitations, while in other cases such limitations are not specified or are not applicable.

We are unable to develop a reasonable estimate of the maximum potential payout under certain of these arrangements. Overall, we believe the likelihood that we will have to make any material payments related to completed sales under these arrangements is remote, and no material liabilities related to these arrangements have been recorded in the Condensed Consolidated Balance Sheets.

Other

- *For additional information on commitments and guarantees associated with VIEs, see Note 10.*
- *For additional information on derivatives, see Note 11.*

14. Equity

SHARES OUTSTANDING

Common Stock

The following table presents a rollforward of outstanding shares:

Three Months Ended March 31, 2025 *(in millions)*	Common Stock Issued	Treasury Stock	Common Stock Outstanding
Shares, beginning of year	**1,906.7**	**(1,300.6)**	**606.1**
Shares issued	—	3.3	3.3
Shares repurchased	—	(29.0)	(29.0)
Shares, end of period	**1,906.7**	**(1,326.3)**	**580.4**

Dividends

Dividends are payable on AIG common stock, par value $2.50 per share (AIG Common Stock) only when, as and if declared by our Board of Directors in its discretion, from funds legally available for this purpose. In considering whether to pay a dividend on or purchase shares of AIG Common Stock, our Board of Directors considers a number of factors, including, but not limited to: the capital resources available to support our insurance operations and business strategies, AIG's funding capacity and capital resources in comparison to internal benchmarks, expectations for capital generation, rating agency expectations for capital, regulatory standards for capital and capital distributions, and such other factors as our Board of Directors may deem relevant.

For a discussion of restrictions on payments of dividends to AIG Parent by its subsidiaries, see Note 18 to the Consolidated Financial Statements in the 2024 Annual Report.

Repurchase of AIG Common Stock

Shares may be repurchased from time to time in the open market, private purchases, through forward, derivative, accelerated repurchase or automatic repurchase transactions or otherwise. Certain of our share repurchases have been and may from time to time be effected through the Securities Exchange Act of 1934, as amended (the Exchange Act) Rule 10b5-1 repurchase plans. Effective April 1, 2025, the Board of Directors authorized the repurchase of $7.5 billion of AIG Common Stock (inclusive of the approximately $3.4 billion remaining under the Board's prior share repurchase authorization).

The timing of any future repurchases will depend on market conditions, our business and strategic plans, financial condition, results of operations, liquidity and other factors.

Pursuant to an Exchange Act Rule 10b5-1 repurchase plan, from April 1, 2025 to April 25, 2025, we repurchased approximately 5 million shares of AIG Common Stock for an aggregate purchase price of approximately $374 million.

DIVIDENDS DECLARED

On May 1, 2025, our Board of Directors declared a cash dividend on AIG Common Stock of $0.45 per share, a 12.5 percent increase from prior quarterly dividends on AIG Common Stock, payable on June 27, 2025 to shareholders of record on June 13, 2025.

ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents a rollforward of Accumulated other comprehensive income (loss):

(in millions)	Unrealized Appreciation (Depreciation) of Fixed Maturity Securities on Which Allowance for Credit Losses Was Taken	Unrealized Appreciation (Depreciation) of All Other Investments	Change in Fair Value of Market Risk Benefits Attributable to Changes in Our Own Credit Risk	Change in the discount rates used to measure traditional and limited payment long-duration insurance contracts	Foreign Currency Translation Adjustments	Retirement Plan Liabilities Adjustment	Total
Balance, December 31, 2024, net of tax	**$ (4)**	**$ (2,868)**	**$ —**	**$ 68**	**$ (3,521)**	**$ (774)**	**$ (7,099)**
Change in unrealized appreciation (depreciation) of investments	**4**	**318**	**—**	**—**	**—**	**—**	**322**
Change in other	**—**	**6**	**—**	**—**	**—**	**—**	**6**
Change in discount rates	**—**	**—**	**—**	**9**	**—**	**—**	**9**
Change in foreign currency translation adjustments	**—**	**—**	**—**	**—**	**175**	**—**	**175**
Change in net actuarial loss	**—**	**—**	**—**	**—**	**—**	**8**	**8**
Change in deferred tax asset (liability)	**—**	**101**	**—**	**(3)**	**19**	**(1)**	**116**
Total other comprehensive income	**4**	**425**	**—**	**6**	**194**	**7**	**636**
Less: Noncontrolling interests	**—**	**—**	**—**	**—**	**1**	**—**	**1**
Balance, March 31, 2025, net of tax	**$ —**	**$ (2,443)**	**$ —**	**$ 74**	**$ (3,328)**	**$ (767)**	**$ (6,464)**
Balance, December 31, 2023, net of tax	$ (106)	$ (10,888)	$ (476)	$ 1,233	$ (2,979)	$ (821)	$ (14,037)
Change in unrealized appreciation (depreciation) of investments*	72	(1,274)	—	—	—	—	(1,202)
Change in other	—	5	—	—	—	—	5
Change in fair value of market risk benefits, net	—	—	(29)	—	—	—	(29)
Change in discount rates	—	—	—	697	—	—	697
Change in future policy benefits	—	(126)	—	—	—	—	(126)
Change in foreign currency translation adjustments	—	—	—	—	(339)	—	(339)
Change in net actuarial loss	—	—	—	—	—	7	7
Change in prior service cost	—	—	—	—	—	2	2
Change in deferred tax asset (liability)	(15)	105	6	(152)	(14)	(2)	(72)
Total other comprehensive income (loss)	57	(1,290)	(23)	545	(353)	7	(1,057)
Add: Corebridge noncontrolling interests	—	(83)	(5)	15	—	—	(73)
Less: Noncontrolling interests	17	(559)	(11)	258	(3)	—	(298)
Balance, March 31, 2024, net of tax	$ (66)	$ (11,702)	$ (493)	$ 1,535	$ (3,329)	$ (814)	$ (14,869)

* Includes net unrealized gains and losses attributable to businesses held for sale or reclassified to discontinued operations at March 31, 2024.

The following table presents the other comprehensive income (loss) reclassification adjustments for the three months ended March 31, 2025 and 2024, respectively:

(in millions)	Unrealized Appreciation (Depreciation) of Fixed Maturity Securities on Which Allowance for Credit Losses Was Taken	Unrealized Appreciation (Depreciation) of All Other Investments	Change in Fair Value of Market Risk Benefits Attributable to Changes in Our Own Credit Risk	Change in the discount rates used to measure traditional and limited payment long-duration insurance contracts	Foreign Currency Translation Adjustments	Retirement Plan Liabilities Adjustment	Total
Three Months Ended March 31, 2025							
Unrealized change arising during period	**$ 4**	**$ 62**	**$ —**	**$ 9**	**$ 175**	**$ —**	**$ 250**
Less: Reclassification adjustments included in net income	**—**	**(262)**	**—**	**—**	**—**	**(8)**	**(270)**
Total other comprehensive income (loss), before of income tax expense (benefit)	**4**	**324**	**—**	**9**	**175**	**8**	**520**
Less: Income tax expense (benefit)	**—**	**(101)**	**—**	**3**	**(19)**	**1**	**(116)**
Total other comprehensive income (loss), net of income tax expense (benefit)	**$ 4**	**$ 425**	**$ —**	**$ 6**	**$ 194**	**$ 7**	**$ 636**
Three Months Ended March 31, 2024							
Unrealized change arising during period	$ 66	$ (1,832)	$ (29)	$ 697	$ (339)	$ 2	$ (1,435)
Less: Reclassification adjustments included in net income	(6)	(437)	—	—	—	(7)	(450)
Total other comprehensive income (loss), before income tax expense (benefit)	72	(1,395)	(29)	697	(339)	9	(985)
Less: Income tax expense (benefit)	15	(105)	(6)	152	14	2	72
Total other comprehensive income (loss), net of income tax expense (benefit)	$ 57	$ (1,290)	$ (23)	$ 545	$ (353)	$ 7	$ (1,057)

The following table presents the effect of the reclassification of significant items out of AOCI on the respective line items in the Condensed Consolidated Statements of Income (Loss)[a]:

(in millions)	Amount Reclassified from Three Months Ended 2025	2024	Affected Line Item in the Condensed Consolidated Statements of Income (Loss)
Unrealized appreciation (depreciation) of fixed maturity securities on which allowance for credit losses was taken			
Investments	$ —	$ (6)	Net realized gains (losses)
Total	—	(6)	
Unrealized appreciation (depreciation) of all other investments			
Investments	(262)	(437)	Net realized gains (losses)
Total	(262)	(437)	
Change in retirement plan liabilities adjustment			
Prior-service credit	(1)	—	(b)
Actuarial losses	(7)	(7)	(b)
Total	(8)	(7)	
Total reclassifications for the period	$ (270)	$ (450)	

(a) The following items are not reclassified out of AOCI and included in the Condensed Consolidated Statements of Income (Loss) and thus have been excluded from the table: (a) Change in fair value of market risk benefits attributable to changes in our own credit risk and (b) Change in the discount rates used to measure traditional and limited-payment long-duration insurance contracts.

(b) These AOCI components are included in the computation of net periodic pension cost.

15. Earnings Per Common Share (EPS)

Basic EPS is computed by dividing net income available to common shareholders by the weighted average number of common shares outstanding. The diluted EPS computation assumes the issuance of all potentially dilutive common shares outstanding using the treasury stock method or the if-converted method, as applicable, and excludes the effect of anti-dilutive shares.

The following table presents the computation of basic and diluted EPS:

Three Months Ended March 31, *(dollars in millions, except per common share data)*	2025	2024
Numerator for EPS:		
Income (loss) from continuing operations	$ 698	$ 797
Less: Preferred stock dividends and preferred stock redemption premiums	—	22
Income (loss) attributable to AIG common shareholders from continuing operations	698	775
Income (loss) from discontinued operations, net of income tax expense	—	803
Less: Net income attributable to noncontrolling interests	—	384
Income (loss) from discontinued operations, net of noncontrolling interest	—	419
Net income (loss) attributable to AIG common shareholders	$ 698	$ 1,194
Denominator for EPS:		
Weighted average common shares outstanding - basic	593,839,665	682,576,848
Dilutive common shares	5,400,381	5,384,670
Weighted average common shares outstanding - diluted[a]	599,240,046	687,961,518
Income (loss) per common share attributable to AIG common shareholders:		
Basic:		
Income (loss) from continuing operations	$ 1.18	$ 1.14
Income from discontinued operations	$ —	$ 0.61
Income (loss) attributable to AIG common shareholders	$ 1.18	$ 1.75
Diluted:		
Income (loss) from continuing operations	$ 1.16	$ 1.13
Income from discontinued operations	$ —	$ 0.61
Income (loss) attributable to AIG common shareholders	$ 1.16	$ 1.74

(a) Potential dilutive common shares are due to our share-based employee compensation plans and agreements. The number of potential common shares excluded from diluted shares outstanding was 161,754 and 141,749 for the three months ended March 31, 2025 and 2024, respectively, because the effect of including those common shares in the calculation would have been anti-dilutive.

For information regarding our repurchases of AIG Common Stock, see Note 14.

16. Income Taxes

BASIS OF PRESENTATION

We file a consolidated U.S. federal income tax return with our eligible U.S. subsidiaries. Income earned by subsidiaries operating outside the U.S. is taxed, and income tax expense is recorded, based on applicable U.S. and foreign laws.

We consider our foreign earnings with respect to certain operations in Canada, South Africa, Japan, Latin America, Bermuda as well as the European, Asia Pacific and Middle East regions to be indefinitely reinvested. These earnings relate to ongoing operations and have been reinvested in active business operations. A deferred tax liability has not been recorded for those foreign subsidiaries whose earnings are considered to be indefinitely reinvested. If recorded, such deferred tax liability would not be material to our consolidated financial condition. Deferred taxes, if necessary, have been provided on earnings of non-U.S. affiliates whose earnings are not indefinitely reinvested.

INTERIM TAX CALCULATION METHOD

We use the estimated annual effective tax rate method in computing our interim tax provision. Certain items, including those deemed to be unusual, infrequent or that cannot be reliably estimated, are excluded from the estimated annual effective tax rate. In these cases, the actual tax expense or benefit is reported in the same period as the related item. Certain tax effects are also not reflected in the estimated annual effective tax rate, primarily certain changes in uncertain tax positions and realizability of deferred tax assets and are recorded in the period in which the change occurs.

INTERIM TAX EXPENSE (BENEFIT)

For the three months ended March 31, 2025, the effective tax rate on income from continuing operations was 27.3 percent. The effective tax rate on income from continuing operations differs from the statutory tax rate of 21 percent primarily due to tax charges associated with the effect of foreign operations, certain non-deductible expenses and state and local income taxes, partially offset by tax benefits related to closure of tax audits in Germany and California, and excess tax benefits related to share-based compensation payments recorded through the income statement. The effect of foreign operations is primarily related to income of our foreign operations taxed at statutory tax rates higher than 21 percent, other foreign taxes, and foreign income subject to U.S. taxation.

For the three months ended March 31, 2024, the effective tax rate on income from continuing operations was 24.7 percent. The effective tax rate on income from continuing operations differs from the statutory tax rate of 21 percent primarily due to tax charges associated with the effect of foreign operations, state and local income taxes and certain non-deductible expenses. These tax charges were partially offset by tax benefits related to tax exempt income and the excess tax benefits related to share-based compensation payments recorded through the income statement. The effect of foreign operations is primarily related to income of our foreign operations taxed at statutory tax rates higher than 21 percent, other foreign taxes, and foreign income subject to U.S. taxation.

ASSESSMENT OF DEFERRED TAX ASSET VALUATION ALLOWANCE

The evaluation of the recoverability of our deferred tax asset and the need for a valuation allowance requires us to weigh all positive and negative evidence to reach a conclusion that it is more likely than not that all or some portion of the deferred tax asset will not be realized. The weight given to the evidence is commensurate with the extent to which it can be objectively verified. The more negative evidence that exists, the more positive evidence is necessary and the more difficult it is to support a conclusion that a valuation allowance is not needed.

During the first quarter, taxable income projections were updated to reflect the latest projections of income for our insurance and non-insurance companies, and projections of taxable income generated from prudent and feasible tax planning strategies. Given there is a shorter carryforward period to utilize remaining net operating losses, we continue to consider multiple data points and stresses. Additionally, significant market volatility continues to impact actual and projected results of our business operations as well as our views on potential effectiveness of certain prudent and feasible tax planning strategies. In order to demonstrate the predictability and sufficiency of future taxable income necessary to support the realizability of the net operating losses and foreign tax credit carryforwards, we have considered forecasts of future income for each of our businesses, including assumptions about future macroeconomic and AIG-specific conditions and events, and any impact these conditions and events may have on our prudent and feasible tax planning strategies. We also subjected the forecasts to a variety of stresses of key assumptions and evaluated the effect on tax attribute utilization.

After factoring in multiple data points and assessing the relative weight of all positive and negative evidence, we concluded that a valuation allowance of $300 million should remain on a portion of AIG's U.S. federal consolidated income tax group tax attribute carryforwards that are not more likely than not to be realized. Accordingly, during the three months ended March 31, 2025, we recorded no change in valuation allowance.

For the three months ended March 31, 2025, recent changes in market conditions, including changes in interest rates, impacted the unrealized tax gains and losses in the available for sale securities portfolios of our general insurance and non-insurance companies, resulting in a decrease to deferred tax assets related to net unrealized tax capital losses. The deferred tax assets relate to the unrealized tax capital losses for which the carryforward period has not yet begun. As of March 31, 2025, based on all available evidence, we concluded that a valuation allowance of $394 million is necessary on deferred tax assets related to unrealized tax capital losses that are not more-likely-than-not to be realized. For the three months ended March 31, 2025, we recorded a decrease in valuation allowance of $115 million associated with the unrealized tax capital losses in AIG's available for sale securities portfolio. The valuation allowance decrease was allocated to other comprehensive income.

For the three months ended March 31, 2025, we recognized a net $2 million decrease in deferred tax asset valuation allowance associated with certain foreign jurisdictions.

TAX EXAMINATIONS

We are currently under examination by the IRS for the tax years 2011 through 2019. We continue to engage in the IRS Appeals process for certain disagreed issues related to tax years 2007 through 2010. These tax years are still subject to ongoing computational review by IRS Appeals.

ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES

At both March 31, 2025 and December 31, 2024, our unrecognized tax benefits, excluding interest and penalties, were $1.4 billion. At both March 31, 2025 and December 31, 2024, the amounts of unrecognized tax benefits that, if recognized, would favorably affect the effective tax rate were $1.4 billion. Unrecognized tax benefits that would not affect the effective tax rate generally relate to such factors as the timing, rather than the permissibility of the deduction.

Interest and penalties related to unrecognized tax benefits are recognized in income tax expense. At March 31, 2025 and December 31, 2024, we had accrued liabilities of $41 million and $53 million, respectively, for the payment of interest (net of the federal benefit) and penalties. For the three months ended March 31, 2025 and 2024, we accrued expense (benefit) of $(12) million and $0 million, respectively, for the payment of interest and penalties.

Although it is reasonably possible that a change in the balance of unrecognized tax benefits may occur within the next 12 months, based on the information currently available, we do not expect any change to be material to our consolidated financial condition.

ITEM 2 | Management's Discussion and Analysis of Financial Condition and Results of Operations

Glossary and Acronyms of Selected Insurance Terms and References

Throughout this Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A), we use certain terms and abbreviations, which are summarized in the Glossary and Acronyms.

This discussion contains a number of cross-references to additional information included throughout this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2024 (the 2024 Annual Report) to assist readers seeking additional information related to a particular subject.

In this Quarterly Report on Form 10-Q, unless the context indicates otherwise, we use the terms "AIG," "we," "us," "our" or "the Company" 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.

Cautionary Statement Regarding Forward-Looking Information and Factors That May Affect Future Results

This Quarterly Report on Form 10-Q and other publicly available documents may include, and members of management may from time to time make and discuss, statements which, to the extent they are not statements of historical or present fact, 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 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," "guidance," "outlook," "confident," "focused on achieving," "view," "target," "goal," "estimate" and other words of similar meaning in connection with a discussion of future operating or financial performance. These statements may include, among other things, projections, goals and assumptions that relate to future actions, prospective services or products, 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, 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, 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.

All forward-looking statements involve risks, uncertainties and other factors that may cause actual results and financial condition to differ, possibly materially, from the results and financial condition expressed or implied in the forward-looking statements. Factors that could cause actual results to differ, possibly materially, from those in specific projections, targets, goals, plans, assumptions and other forward-looking statements include, without limitation:

- the impact of adverse developments affecting economic conditions in the markets in which we operate in the U.S. and globally, including financial market conditions, macroeconomic trends, changes in trade policies, including tariffs, fluctuations in interest rates and foreign currency exchange rates, inflationary pressures, including social inflation, pressures on the commercial real estate market, and geopolitical events or conflicts;
- the occurrence of catastrophic events, both natural and man-made, which may be exacerbated by the effects of climate change;
- disruptions in the availability or accessibility of our or a third party's information technology systems, including hardware and software, infrastructure or networks, and the inability to safeguard the confidentiality and integrity of customer, employee or company data due to cyberattacks, data security breaches or infrastructure vulnerabilities;
- our ability to effectively implement technological advancements, including the use of artificial intelligence (AI), and respond to competitors' AI and other technology initiatives;
- the effects of changes in laws and regulations, including those relating to privacy, data protection, cybersecurity and AI, and the regulation of insurance, in the U.S. and other countries in which we operate;
- concentrations in our investment portfolios, including our continuing equity market exposure to Corebridge Financial, Inc. (Corebridge);
- changes in the valuation of our investments;
- our reliance on third-party investment managers;
- nonperformance or defaults by counterparties;
- our reliance on third parties to provide certain business and administrative services;
- our ability to adequately assess risk and estimate related losses as well as the effectiveness of our enterprise risk management policies and procedures;
- changes in judgments or assumptions concerning insurance underwriting and insurance liabilities;
- concentrations of our insurance, reinsurance and other risk exposures;
- availability of adequate reinsurance or access to reinsurance on acceptable terms;
- changes to tax laws in the U.S. and other countries in which we operate;
- the effectiveness of strategies to retain and recruit key personnel and to implement effective succession plans;
- the effects of sanctions and the failure to comply with those sanctions;
- difficulty in marketing and distributing products through current and future distribution channels;
- actions by rating agencies with respect to our credit and financial strength ratings as well as those of its businesses and subsidiaries;
- changes in judgments concerning the recognition of deferred tax assets and the impairment of goodwill;
- our ability to successfully dispose of, monetize and/or acquire businesses or assets or successfully integrate acquired businesses, and the anticipated benefits thereof
- our ability to address evolving global stakeholder expectations and regulatory requirements including with respect to environmental, social and governance matters;
- our ability to effectively implement restructuring initiatives and potential cost-savings opportunities;
- changes to sources of or access to liquidity;
- changes in accounting principles and financial reporting requirements or their applicability to us;
- the outcome of significant legal, regulatory or governmental proceedings;
- our ability to effectively execute on sustainability targets and standards;
- the impact of epidemics, pandemics and other public health crises and responses thereto; and
- such other factors discussed in:
  - Part I, Item 2. MD&A of this Quarterly Report on Form 10-Q;
  - Part I, Item 1A. Risk Factors and Part II, Item 7. MD&A of the 2024 Annual Report; and
  - our other filings with the Securities and Exchange Commission (SEC).

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. Additional information as to factors that may cause actual results to differ materially from those expressed or implied in any forward-looking statements is disclosed from time to time in other filings with the SEC.

INDEX TO ITEM 2

	Page
Use of Non-GAAP Measures	**47**
Critical Accounting Estimates	**49**
Executive Summary	**49**
Overview	49
Operating Structure	49
Regulatory, Industry and Economic Factors	50
Consolidated Results of Operations	**51**
Business Segment Operations	**54**
General Insurance	55
Other Operations	61
Investments	**62**
Overview	62
Investment Highlights in the Three Months Ended March 31, 2025	62
Investment Strategies	62
Credit Ratings	68
Insurance Reserves	**70**
Liquidity and Capital Resources	**72**
Overview	72
Liquidity and Capital Resources Highlights	73
Analysis of Sources and Uses of Cash	73
Liquidity and Capital Resources of AIG Parent and Subsidiaries	74
Credit Facilities	75
Contractual Obligations	75
Off-Balance Sheet Arrangements and Commercial Commitments	75
Debt	75
Credit Ratings	76
Financial Strength Ratings	76
Regulation and Supervision	77
Dividends	77
Repurchases of AIG Common Stock	77
Enterprise Risk Management	**77**
Overview	77
Glossary	**78**
Acronyms	**80**

Use of Non-GAAP Measures

Throughout this MD&A, we present our financial condition and results of operations in the way we believe will be most meaningful and representative of our business results. Some of the measurements we use are “non-GAAP financial measures” under SEC rules and regulations. GAAP is the acronym for “generally accepted accounting principles” in the United States. The non-GAAP financial measures we present may not be comparable to similarly-named measures reported by other companies.

We use the following operating performance measures because we believe they enhance the understanding of the underlying profitability of continuing operations and trends of our segments. We believe they also allow for more meaningful comparisons with our insurance competitors. When we use these measures, reconciliations to the most comparable GAAP measure are provided on a consolidated basis in the Consolidated Results of Operations section of this MD&A.

Book value per share, excluding investments related cumulative unrealized gains and losses recorded in Accumulated other comprehensive income (loss) (AOCI) adjusted for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets (collectively, Investments AOCI) (Adjusted book value per share) is used to show the amount of our net worth on a per share basis after eliminating the fair value of investments that can fluctuate significantly from period to period due to changes in market conditions. In addition, we adjust for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets held by AIG in support of Fortitude Re’s reinsurance obligations to AIG (Fortitude Re funds withheld assets) since these fair value movements are economically transferred to Fortitude Re. Adjusted book value per share is derived by dividing total AIG common shareholders’ equity, excluding Investments AOCI (AIG adjusted common shareholders' equity) by total common shares outstanding.

Book value per share, excluding Investments AOCI, deferred tax assets (DTA) and AIG’s ownership interest in Corebridge (Core operating book value per share) is used to show the amount of our net worth on a per share basis after eliminating Investments AOCI, DTA and AIG’s ownership interest in Corebridge. We believe this measure is useful to investors because it eliminates the fair value of investments that can fluctuate significantly from period to period due to changes in market conditions. We also exclude the portion of DTA representing U.S. tax attributes related to net operating loss carryforwards (NOLs), corporate alternative minimum tax credits (CAMTCs) and foreign tax credits (FTCs) that have not yet been utilized. Amounts for interim periods are estimates based on projections of full-year attribute utilization. As NOLs, CAMTCs and FTCs are utilized, the corresponding portion of the DTA utilized is included. We exclude AIG’s ownership interest in Corebridge since it is not a core long-term investment for AIG. Core operating book value per share is derived by dividing total AIG common shareholders’ equity, excluding Investments AOCI, DTA and AIG’s ownership interest in Corebridge (AIG core operating shareholders’ equity) by total common shares outstanding.

Return on equity – Adjusted after-tax income excluding Investments AOCI (Adjusted return on equity) is used to show the rate of return on common shareholders’ equity excluding Investments AOCI. We believe this measure is useful to investors because it eliminates the fair value of investments which can fluctuate significantly from period to period due to changes in market conditions. Adjusted return on equity is derived by dividing actual or, for interim periods, annualized adjusted after-tax income attributable to AIG common shareholders by average AIG adjusted common shareholders’ equity.

Return on equity – Adjusted after-tax income excluding Investments AOCI, DTA and AIG’s ownership interest in Corebridge (Core operating return on equity) is used to show the rate of return on common shareholders’ equity excluding Investments AOCI, DTA and AIG’s ownership interest in Corebridge. We believe this measure is useful to investors because it eliminates the fair value of investments that can fluctuate significantly from period to period due to changes in market conditions. We also exclude the portion of DTA representing U.S. tax attributes related to NOLs, CAMTCs and FTCs that have not yet been utilized. Amounts for interim periods are estimates based on projections of full-year attribute utilization. As NOLs, CAMTCs and FTCs are utilized, the corresponding portion of the DTA utilized is included. We exclude AIG’s ownership interest in Corebridge since it is not a core long-term investment for AIG. We believe this metric will provide investors with greater insight as to the underlying profitability of our property and casualty business. Core operating return on equity is derived by dividing actual or, for interim periods, annualized adjusted after-tax income attributable to AIG common shareholders by average AIG core operating shareholders’ equity.

Adjusted pre-tax income (APTI) is derived by excluding the items set forth below from income from continuing operations before income tax:

- changes in the fair values of equity securities, AIG's investment in Corebridge and gain on sale of shares;
- net investment income on Fortitude Re funds withheld assets;
- net realized gains and losses on Fortitude Re funds withheld assets;
- loss (gain) on extinguishment of debt;
- all net realized gains and losses except earned income (periodic settlements and changes in settlement accruals) on derivative instruments used for non-qualifying (economic) hedging or for asset replication. Earned income on such economic hedges is reclassified from net realized gains and losses to specific APTI line items based on the economic risk being hedged (e.g. net investment income);
- income or loss from discontinued operations;
- net loss reserve discount benefit (charge);
- net results of businesses in run-off;
- non-operating pension expense;
- net gain or loss on divestitures and other;
- non-operating litigation reserves and settlements;
- restructuring and other costs related to initiatives designed to reduce operating expenses, improve efficiency and simplify our organization;
- the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under retroactive reinsurance agreements and related changes in amortization of the deferred gain;
- integration and transaction costs associated with acquiring or divesting businesses;
- losses from the impairment of goodwill;
- non-recurring costs associated with the implementation of non-ordinary course legal or regulatory changes or changes to accounting principles; and
- income from elimination of the international reporting lag.

Adjusted after-tax income attributable to AIG common shareholders is derived by excluding the tax effected APTI adjustments described above, dividends on preferred stock and preferred stock redemption premiums, noncontrolling interest on net realized gains (losses), other non-operating expenses and the following tax items from net income attributable to AIG:

- deferred income tax valuation allowance releases and charges;
- changes in uncertain tax positions and other tax items related to legacy matters having no relevance to our current businesses or operating performance; and
- net tax charge related to the enactment of the Tax Cuts and Jobs Act.

Ratios: We, along with most property and casualty insurance companies, use the loss ratio, the expense ratio and the combined ratio as measures of underwriting performance. These ratios are relative measurements that describe, for every $100 of net premiums earned, the amount of losses and loss adjustment expenses (which for General Insurance excludes net loss reserve discount), and the amount of other underwriting expenses that would be incurred. A combined ratio of less than 100 indicates underwriting income and a combined ratio of over 100 indicates an underwriting loss. Our ratios are calculated using the relevant segment information calculated under GAAP, and thus may not be comparable to similar ratios calculated for regulatory reporting purposes. The underwriting environment varies across countries and products, as does the degree of litigation activity, all of which affect such ratios. In addition, investment returns, local taxes, cost of capital, regulation, product type and competition can have an effect on pricing and consequently on profitability as reflected in underwriting income and associated ratios.

Accident year loss and accident year combined ratios, as adjusted (Accident year loss ratio, ex-CAT and Accident year combined ratio, ex-CAT): both the accident year loss and accident year combined ratios, as adjusted, exclude catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments, and the impact of reserve discounting. Natural catastrophe losses are generally weather or seismic events, in each case, having a net impact on AIG in excess of $10 million and man-made catastrophe losses, such as terrorism and civil disorders that exceed the $10 million threshold. We believe that as adjusted ratios are meaningful measures of our underwriting results on an ongoing basis as they exclude catastrophes and the impact of reserve discounting which are outside of management's control. We also exclude prior year development to provide transparency related to current accident year results.

Results from discontinued operations, including Corebridge, are excluded from all of these measures.

Critical Accounting Estimates

The preparation of financial statements in accordance with GAAP requires the application of accounting policies that often involve a significant degree of judgment.

The accounting policies that we believe are most dependent on the application of estimates and assumptions, which are critical accounting estimates, are related to the determination of:

- loss reserves;
- reinsurance assets, including the allowance for credit losses and disputes;
- allowance for credit losses on certain investments, primarily on loans and available for sale fixed maturity securities;
- fair value measurements of certain financial assets and financial liabilities; and
- income taxes, in particular the recoverability of our deferred tax asset and establishment of provisions for uncertain tax positions.

These accounting estimates require the use of assumptions about matters, some of which are highly uncertain at the time of estimation. To the extent actual experience differs from the assumptions used, our consolidated financial condition, results of operations and cash flows could be materially affected.

For a complete discussion of our critical accounting estimates, see Part II, Item 7. MD&A – Critical Accounting Estimates in the 2024 Annual Report.

Executive Summary

OVERVIEW

This overview of the MD&A highlights selected information and may not contain all of the information that is important to current or potential investors in our securities. You should read this Quarterly Report on Form 10-Q, together with the 2024 Annual Report, in their entirety for a more detailed description of events, trends, uncertainties, risks and critical accounting estimates affecting us.

OPERATING STRUCTURE

We report the results of our businesses through three segments and Other Operations. The three segments are North America Commercial, International Commercial and Global Personal. Other Operations predominantly consists of Net Investment Income from our AIG Parent liquidity portfolio, Corebridge dividend income, corporate General operating expenses, and Interest expense. Prior years' presentations have been recast to conform to the new reportable segments. Our General Insurance business (General Insurance) consists of our three segments and the Net investment income related to our insurance operations.

On June 9, 2024, AIG waived its right to majority representation on the Corebridge Board of Directors and one of AIG's designees resigned from the Corebridge Board of Directors as of June 9, 2024 (the Deconsolidation Date). As a result, AIG met the requirements for the deconsolidation of Corebridge. The historical financial results of Corebridge, for all periods presented, are reflected in these Condensed Consolidated Financial Statements as discontinued operations.

For additional information on our segments, see Note 3 to the Condensed Consolidated Financial Statements, and for information regarding the separation of Life and Retirement, see Note 4 to the Condensed Consolidated Financial Statements.

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 Underwriting Ltd. (Talbot); Western World Insurance Company and Glatfelter Insurance Group (Glatfelter).

REGULATORY, INDUSTRY AND ECONOMIC FACTORS

Regulatory Environment

Our operations around the world are subject to regulation by many different types of regulatory authorities, including insurance and securities regulators in the United States and abroad. The insurance and financial services industries are generally subject to close regulatory scrutiny and supervision.

For information regarding our regulation and supervision by different regulatory authorities in the United States and abroad, see Part I, Item 1. Business – Regulation and Part I, Item 1A. Risk Factors – Regulation in the 2024 Annual Report.

Impact of Changes in the Interest Rate Environment

Certain global benchmark interest rates continued to fluctuate in 2025 as markets reacted to change in inflation trends, geopolitical risk and uncertainties and the decisions of the global central banks. Our Net investment income is impacted by market interest rates as well as the deployment of asset allocation strategies to enhance yield, manage duration and interest rate risk. The changes in interest rates and credit spreads impact our ability to reinvest future cash flows at rates equal or greater than the rates on sales and maturities. *For additional information on our investment and asset-liability management strategies, see Investments.*

Impact of Currency Volatility

Currency volatility remains acute. The value of the U.S. dollar compared to the Euro, British pound and the Japanese yen (the Major Currencies) impacts income for our businesses with substantial international operations. In particular, growth trends in net premiums written reported in U.S. dollars can differ significantly from those measured in original currencies. The net effect on underwriting results, however, is significantly mitigated, as both revenues and expenses are similarly affected.

These currencies may continue to fluctuate, especially as a result of concerns regarding international trade, future economic growth and other macroeconomic factors, and such fluctuations will affect net premiums written growth trends reported in U.S. dollars, as well as financial statement line item comparability.

General Insurance businesses are transacted in most major foreign currencies. The following table presents the average of the quarterly weighted average exchange rates of the Major Currencies, which have the most significant impact on our businesses:

Three Months Ended March 31, Rate for 1 USD	**2025**	2024	Percentage Change
Major Currency:			
GBP	**0.80**	0.79	1 %
EUR	**0.96**	0.92	4 %
JPY	**154.02**	146.61	5 %

Unless otherwise noted, references to the effects of foreign exchange in the General Insurance discussion of results of operations are with respect to movements in the Major Currencies included in the preceding table.

Consolidated Results of Operations

The following section provides a comparative discussion of our consolidated results of operations on a reported basis for the three months ended March 31, 2025 and 2024. Factors that relate primarily to a specific business are discussed in more detail within the business segment operations section.

For information regarding the critical accounting estimates that affect our results of operations, see Critical Accounting Estimates in this MD&A and Part II, Item 7. MD&A – Critical Accounting Estimates in the 2024 Annual Report.

The following table presents our consolidated results of operations and other key financial metrics:

Three Months Ended March 31, *(in millions)*	2025	2024	Percentage Change
Revenues:			
Premiums	$ 5,770	$ 5,871	(2) %
Net investment income:			
Net investment income - excluding Fortitude Re funds withheld assets	1,065	940	13
Net investment income - Fortitude Re funds withheld assets	40	39	3
Total net investment income	1,105	979	13
Net realized losses:			
Net realized losses - excluding Fortitude Re funds withheld assets and embedded derivative	(60)	(59)	(2)
Net realized losses on Fortitude Re funds withheld assets	(2)	(19)	89
Net realized losses on Fortitude Re funds withheld embedded derivative	(41)	(9)	(356)
Total net realized losses	(103)	(87)	(18)
Other income	11	—	NM
Total revenues	6,783	6,763	—
Benefits, losses and expenses:			
Losses and loss adjustment expenses incurred	3,794	3,513	8
Amortization of deferred policy acquisition costs	825	838	(2)
General operating and other expenses	1,115	1,238	(10)
Interest expense	92	116	(21)
Net gain on divestitures and other	(3)	—	NM
Total benefits, losses and expenses	5,823	5,705	2
Income from continuing operations before income tax expense	960	1,058	(9)
Income tax expense	262	261	—
Income from continuing operations	698	797	(12)
Income from discontinued operations, net of income taxes	—	803	NM
Net income	698	1,600	(56)
Less: Net income attributable to noncontrolling interests	—	384	NM
Net income attributable to AIG	698	1,216	(43)
Less: Dividends on preferred stock and preferred stock redemption premiums	—	22	NM
Net income attributable to AIG common shareholders	$ 698	$ 1,194	(42) %

(in millions, except per share data)	March 31, 2025	December 31, 2024
Balance sheet data:		
Total assets	$ 161,864	$ 161,322
Long-term debt	8,596	8,764
Total AIG shareholders' equity	41,431	42,521
Book value per share	71.38	70.16
Adjusted book value per share	74.45	73.79
Core operating book value per share	61.72	61.75

NET INCOME (LOSS) ATTRIBUTABLE TO AIG COMMON SHAREHOLDERS

Three Months Ended March 31, 2025 and 2024 Comparison

Net income (loss) attributable to AIG common shareholders decreased $496 million due to the following:

- a decrease in Income (loss) from discontinued operations, net of income taxes of $803 million as a result of the deconsolidation of Corebridge; and
- a decrease in underwriting income primarily driven by higher catastrophe losses of $419 million partially offset by favorable prior year reserve development of $33 million, which does not reflect the benefit of recoveries under a retroactive adverse development cover, as well as lower expense ratio.

The decrease in Net income (loss) attributable to AIG common shareholders was partially offset by the following:

- a decrease in net income attributable to noncontrolling interest of $384 million primarily driven by Corebridge; and
- an increase in Net investment income of $126 million primarily driven by dividends received from Corebridge of $31 million and changes in its stock price of $209 million, partially offset by a decrease in the fair value of equity securities of $79 million.

INCOME TAX EXPENSE ANALYSIS

For the three months ended March 31, 2025 and 2024, the effective tax rate on income (loss) from continuing operations was 27.3 percent and 24.7 percent, respectively.

For additional information, see Note 16 to the Condensed Consolidated Financial Statements.

NON-GAAP RECONCILIATIONS

The following table presents reconciliations of Book value per share to Adjusted book value per share and Core operating book value per share, which are non-GAAP measures. *For additional information, see Use of Non-GAAP Measures.*

(in millions, except per share data)	March 31, 2025	December 31, 2024
Total AIG common shareholders' equity	$ 41,431	$ 42,521
Less: Investments related AOCI	(2,443)	(2,872)
Add: Cumulative unrealized gains and losses related to Fortitude Re funds withheld assets	(664)	(667)
Subtotal: Investments AOCI	(1,779)	(2,205)
AIG adjusted common shareholders' equity	$ 43,210	$ 44,726
Total AIG common shareholders' equity	$ 41,431	$ 42,521
Less: AIG's ownership interest in Corebridge	4,018	3,810
Less: Investments related AOCI - AIG	(2,443)	(2,872)
Add: Cumulative unrealized gains and losses related to Fortitude Re funds withheld assets - AIG	(664)	(667)
Subtotal: Investments AOCI - AIG	(1,779)	(2,205)
Less: Deferred tax assets	3,370	3,489
AIG core operating shareholders' equity	$ 35,822	$ 37,427
Total common shares outstanding	580.4	606.1
Book value per share	$ 71.38	$ 70.16
Adjusted book value per share	74.45	73.79
Core operating book value per share	61.72	61.75

The following table presents reconciliations of Return on equity to Adjusted return on equity and Core operating return on equity, which are non-GAAP measures. ***For additional information, see Use of Non-GAAP Measures.***

	Three Months Ended March 31,		Year Ended December 31,
(dollars in millions)	**2025**	2024	2024
Actual or annualized net income (loss) attributable to AIG common shareholders	**$ 2,792**	$ 4,776	$ (1,426)
Actual or annualized adjusted after-tax income attributable to AIG common shareholders	**$ 2,808**	$ 3,448	$ 3,254
Average AIG common shareholders' equity	**$ 41,976**	$ 44,126	$ 44,051
Less: Average investments AOCI	**(1,992)**	(9,534)	(5,132)
Average AIG adjusted common shareholders' equity	**$ 43,968**	$ 53,660	$ 49,183
Average AIG common shareholders' equity	**$ 41,976**	$ 44,126	$ 44,051
Less: Average AIG's ownership interest in Corebridge	**3,914**	6,666	6,770
Less: Average Investments AOCI - AIG	**(1,992)**	(2,581)	(2,351)
Less: Average deferred tax assets	**3,430**	4,233	3,998
Average AIG core operating shareholders' equity	**$ 36,624**	$ 35,808	$ 35,634
Return on equity	**6.7 %**	10.8 %	(3.2) %
Adjusted return on equity	**6.4**	6.4	6.6
Core operating return on equity	**7.7**	9.6	9.1

The following table presents a reconciliation of pre-tax income (loss)/net income (loss) attributable to AIG to adjusted pre-tax income (loss)/adjusted after-tax income (loss) attributable to AIG:

Three Months Ended March 31,	**2025**				2024			
(in millions, except per common share data)	Pre-tax	Total Tax (Benefit) Charge	Non-controlling Interests[(a)]	After Tax	Pre-tax	Total Tax (Benefit) Charge	Non-controlling Interests[(a)]	After Tax
Pre-tax income/net income, including noncontrolling interests	**$ 960**	**$ 262**	**$ —**	**$ 698**	$ 1,058	$ 261	$ —	$ 1,600
Noncontrolling interests[(a)]			**—**	**—**			(384)	(384)
Pre-tax income/net income attributable to AIG - including discontinued operations	**$ 960**	**$ 262**	**$ —**	**$ 698**	$ 1,058	$ 261	$ (384)	$ 1,216
Dividends on preferred stock and preferred stock redemption premiums				**—**				22
Net income attributable to AIG common shareholders				**$ 698**				$ 1,194
Changes in uncertain tax positions and other tax adjustments		**6**	**—**	**(6)**		3	—	(3)
Deferred income tax valuation allowance releases		**2**	**—**	**(2)**		5	—	(5)
Changes in the fair values of equity securities and AIG's investment in Corebridge	**(217)**	**(46)**	**—**	**(171)**	(88)	(19)	—	(69)
Loss on extinguishment of debt and preferred stock redemption premiums	**—**	**—**	**—**	**—**	—	—	—	15
Net investment income on Fortitude Re funds withheld assets	**(40)**	**(8)**	**—**	**(32)**	(39)	(8)	—	(31)
Net realized losses on Fortitude Re funds withheld assets	**2**	**—**	**—**	**2**	19	4	—	15
Net realized losses on Fortitude Re funds withheld embedded derivative	**41**	**9**	**—**	**32**	9	2	—	7
Net realized (gains) losses[(b)]	**66**	**(38)**	**—**	**104**	55	7	—	48
Income from discontinued operations				**—**				(803)
Net gain on divestitures and other	**(3)**	**(1)**	**—**	**(2)**	—	—	—	—
Non-operating litigation reserves and settlements	**(11)**	**(2)**	**—**	**(9)**	—	—	—	—
Unfavorable prior year development and related amortization changes ceded under retroactive reinsurance agreements	**9**	**2**	**—**	**7**	2	—	—	2
Net loss reserve discount charge	**17**	**3**	**—**	**14**	76	16	—	60
Net results of businesses in run-off[(c)]	**(5)**	**(1)**	**—**	**(4)**	(7)	(1)	—	(6)
Non-operating pension expense	**5**	**1**	**—**	**4**	—	—	—	—
Integration and transaction costs associated with acquiring or divesting businesses	**5**	**1**	**—**	**4**	(3)	(1)	—	(2)
Restructuring and other costs	**76**	**16**	**—**	**60**	67	14	—	53
Non-recurring costs related to regulatory or accounting changes	**4**	**1**	**—**	**3**	4	1	—	3
Noncontrolling interests[(a)]			**—**	**—**			384	384
Adjusted pre-tax income (loss)/Adjusted after-tax income (loss) attributable to AIG common shareholders	**$ 909**	**$ 207**	**$ —**	**$ 702**	$ 1,153	$ 284	$ —	$ 862
Weighted average diluted shares outstanding				**599.2**				688.0
Income per common share attributable to AIG common shareholders (diluted)				**$ 1.16**				$ 1.74
Adjusted after-tax income per common share attributable to AIG common shareholders (diluted)				**$ 1.17**				$ 1.25

(a) Noncontrolling interest primarily relates to Corebridge and is the portion of Corebridge earnings that AIG did not own. Corebridge is consolidated until June 9, 2024. The historical results of Corebridge owned by AIG are reflected in Income (loss) from discontinued operations, net of income taxes.

(b) Includes all net realized gains and losses except earned income (periodic settlements and changes in settlement accruals) on derivative instruments used for non-qualifying (economic) hedging or for asset replication and net realized gains and losses on Fortitude Re funds withheld assets.

(c) In the fourth quarter of 2024, AIG realigned and began excluding the net results of run-off businesses previously reported in Other Operations from Adjusted pre-tax income. Historical results have been recast to reflect these changes.

PRE-TAX INCOME (LOSS) COMPARISON

Pre-tax income was $960 million and $1.1 billion in the three months ended March 31, 2025 and 2024, respectively.

For the main drivers impacting AIG's results of operations, see – Net Income (Loss) Attributable to AIG Common Shareholders above.

ADJUSTED PRE-TAX INCOME (LOSS) COMPARISON

Adjusted pre-tax income was $909 million and $1.2 billion in the three months ended March 31, 2025 and 2024, respectively.

For the main drivers impacting AIG's adjusted pre-tax income (loss), see Business Segment Operations.

The following table presents a reconciliation of General Insurance and Other Operations Net investment income and other/pre-tax income (loss) to Net investment income and other, APTI basis/adjusted pre-tax income (loss):

Three Months Ended March 31,	2025				2024			
	General Insurance		Other Operations		General Insurance		Other Operations	
(in millions)	Net Investment Income and Other	Pre-tax Income (Loss)	Net Investment Income and Other	Pre-tax Income (Loss)	Net Investment Income and Other	Pre-tax Income (Loss)	Net Investment Income and Other	Pre-tax Income (Loss)
Net investment income and other/Pre-tax income (loss)	**$ 756**	**$ 853**	**$ 360**	**$ 107**	$ 814	$ 1,191	$ 165	$ (133)
Consolidation and Eliminations	**—**	**—**	**(1)**	**—**	—	—	(3)	—
Other income (expense) - net	**—**	**—**	**(9)**	**—**	(12)	—	8	—
Changes in the fair values of equity securities and AIG's investment in Corebridge	**(20)**	**(20)**	**(197)**	**(197)**	(35)	(35)	(53)	(53)
Net investment income on Fortitude Re funds withheld assets	**1**	**1**	**(41)**	**(41)**	—	—	(39)	(39)
Net realized (gains) losses on Fortitude Re funds withheld assets	**—**	**2**	**—**	**—**	—	—	—	19
Net realized (gains) losses on Fortitude Re funds withheld embedded derivative	**—**	**—**	**—**	**41**	—	—	—	9
Net realized (gains) losses	**(1)**	**53**	**3**	**13**	(5)	88	(2)	(33)
Net loss (gain) on divestitures and other	**—**	**6**	**—**	**(9)**	—	—	—	—
Non-operating litigation reserves and settlements	**—**	**—**	**—**	**(11)**	—	—	—	—
Unfavorable (favorable) prior year development and related amortization changes ceded under retroactive reinsurance agreements	**—**	**14**	**—**	**(5)**	—	7	—	(5)
Net loss reserve discount (benefit) charge	**—**	**17**	**—**	**—**	—	76	—	—
Net results of businesses in run-off	**—**	**—**	**(5)**	**(5)**	—	—	(3)	(7)
Non-operating pension expense	**—**	**4**	**—**	**1**	—	—	—	—
Integration and transaction costs associated with acquiring or divesting businesses	**—**	**—**	**—**	**5**	—	—	—	(3)
Restructuring and other costs	**—**	**45**	**—**	**31**	—	27	—	40
Non-recurring costs related to regulatory or accounting changes	**—**	**4**	**—**	**—**	—	4	—	—
Net investment income and other, APTI basis/Adjusted pre-tax income (loss)	**$ 736**	**$ 979**	**$ 110**	**$ (70)**	$ 762	$ 1,358	$ 73	$ (205)

Business Segment Operations

We report the results of our businesses through three segments and Other Operations. The three segments are North America Commercial, International Commercial and Global Personal. Other Operations predominantly consists of Net Investment Income from our AIG Parent liquidity portfolio, Corebridge dividend income, corporate General operating expenses, and Interest expense. General Insurance consists of our three segments and the Net investment income related to our insurance operations.

General Insurance

Commercial Lines is managed by our geographic markets of North America and International, while Personal Insurance is managed globally. Our global presence is underpinned by our multinational capabilities to provide Commercial Lines and Personal Insurance products within these geographic markets.

PRODUCTS AND DISTRIBUTION

North America Commercial

North America Commercial consists of insurance businesses in the United States, Canada and Bermuda.

International Commercial

International Commercial consists of insurance businesses in Japan, the United Kingdom, Europe, Middle East and Africa (EMEA region), Asia Pacific, Latin America and Caribbean, and China. International Commercial also includes the results of Talbot as well as AIG's Global Specialty business.

Global Personal

Global Personal consists primarily of insurance businesses in the United States as well as Japan, the United Kingdom, Europe, EMEA region, Asia Pacific, Latin America and Caribbean, and China.

Commercial Lines

Property & Short Tail: Products include commercial and industrial property, including business interruption, as well as package insurance products and services that cover exposures to man-made and natural disasters.

Casualty: Products include general liability, environmental, commercial automobile liability, workers' compensation, excess casualty and crisis management insurance products. Casualty also includes risk-sharing and other customized structured programs for large corporate and multinational customers.

Financial Lines: Products include professional liability insurance for a range of businesses and risks, including directors and officers, mergers and acquisitions, fidelity, employment practices, fiduciary liability, cyber risk, kidnap and ransom, and errors and omissions insurance.

Global Specialty: Products include marine, energy-related property insurance products, aviation, political risk, trade credit, trade finance and portfolio solutions.

Personal Insurance

Global Accident & Health: Products include group personal accident and business travel products for employees, associations and other organizations, and voluntary and sponsor-paid personal accident and supplemental health products for individuals.

Personal Lines: Products include personal auto and homeowners in selected markets, comprehensive extended warranty, device protection insurance, home warranty and related services, and insurance for high net-worth individuals offered through Private Client Select (PCS) in the U.S. that covers auto, homeowners, umbrella, yacht, fine art and collections.

General Insurance products in North America and International markets are distributed through various channels, including captive and independent agents, brokers, affinity partners, airlines and travel agents, and retailers. Our global platform enables writing multinational and cross-border risks in both Commercial Lines and Personal Insurance.

BUSINESS STRATEGY

Profitable Growth: Build on our high-quality portfolio by focusing on targeted growth through continued underwriting discipline, improved retentions and new business development. Deploy capital efficiently to act opportunistically and achieve growth in profitable lines, geographies and customer segments, while taking a disciplined underwriting approach to exposure management, terms and conditions and rate change to achieve our risk/return hurdles. Continue to be open to inorganic growth opportunities in profitable markets and segments to expand our capabilities and footprint.

Underwriting Excellence: Continue to enhance portfolio optimization through strength of underwriting framework and guidelines as well as clear communication of risk appetite and rate adequacy. Empower and increase accountability of the underwriter and continue to integrate underwriting, claims and actuarial to enable better decision making. Focus on enhancing risk selection, driving consistent underwriting best practices and building robust monitoring standards to improve underwriting results.

Reinsurance Optimization: Strategically partner with reinsurers to effectively manage exposure to losses arising from frequency of large catastrophic events and severity from individual risk losses. We strive to optimize our reinsurance program to manage volatility and protect the balance sheet from tail events and unpredictable net losses in support of our profitable growth objectives.

COMPETITION AND CHALLENGES

General Insurance operates in a highly competitive industry against global, national and local insurers and reinsurers and underwriting syndicates in specific market areas and product types. Insurance companies compete through a combination of risk acceptance criteria, product pricing, service levels and terms and conditions. We serve our business and individual customers on a global basis – from the largest multinational corporations to local businesses and individuals. General Insurance seeks to differentiate itself in the markets where we participate by providing leading expertise and insight to clients, distribution partners and other stakeholders, delivering underwriting excellence and value-driven insurance solutions and providing high quality, tailored end-to-end support to stakeholders. In doing so, we leverage our world-class global franchise, multinational capabilities, balance sheet strength and financial flexibility.

Our challenges include:

- ensuring adequate business pricing given passage of time to reporting and settlement for insurance business, particularly with respect to long-tail Commercial Lines exposures;
- impact of social and economic inflation on claim frequency and severity; and
- volatility in claims arising from natural and man-made catastrophes and other aggregations of risk exposure.

INDUSTRY AND ECONOMIC FACTORS

North America Commercial

North America Commercial continues to pursue profitable growth, while capacity in certain segments is putting pressure on rates. We have focused on retaining our best accounts which has led to strong retention across the portfolio. These retention rates are often coupled with continuing to manage exposure limits to reduce volatility within the portfolio. We continue to proactively identify segment growth areas as market conditions warrant through effective portfolio management.

International Commercial

We are continuing to pursue growth in our most profitable lines of business and diversify our portfolio across all regions by expanding key business lines while remaining a market leader in key developed and developing markets. We are maintaining our underwriting discipline, utilizing reinsurance to reduce volatility and continuing our risk selection strategy to improve profitability.

Global Personal

Global Personal serves individuals as well as group and corporate clients across a broad range of products, markets, and client profiles. Amid competitive market conditions, we continue to benefit from improved underwriting quality and portfolio diversity, as well as investment in expanded capabilities and strategic distribution partnerships.

GENERAL INSURANCE RESULTS

Three Months Ended March 31, (in millions)	2025	2024	Change
Underwriting results:			
Net premiums written	$ 4,526	$ 4,512	— %
Decrease in unearned premiums	1,243	1,274	(2)
Net premiums earned	5,769	5,786	—
Losses and loss adjustment expenses incurred[a]	3,766	3,353	12
Acquisition expenses:			
Amortization of deferred policy acquisition costs	825	828	—
Other acquisition expenses	232	275	(16)
Total acquisition expenses	1,057	1,103	(4)
General operating expenses	703	734	(4)
Underwriting income	243	596	(59)
Net investment income	736	762	(3)
Adjusted pre-tax income	$ 979	$ 1,358	(28) %
Loss ratio[a]	65.3	58.0	7.3
Acquisition ratio	18.3	19.1	(0.8)
General operating expense ratio	12.2	12.7	(0.5)
Expense ratio	30.5	31.8	(1.3)
Combined ratio[a]	95.8	89.8	6.0
Adjustments for accident year loss ratio, as adjusted and accident year combined ratio, as adjusted:			
Catastrophe losses and reinstatement premiums	(9.1)	(1.9)	(7.2)
Prior year development, net of reinsurance and prior year premiums	1.1	0.5	0.6
Accident year loss ratio, as adjusted	57.3	56.6	0.7
Accident year combined ratio, as adjusted	87.8	88.4	(0.6)

(a) Consistent with our definition of APTI, excludes net loss reserve discount and the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under retroactive reinsurance agreements and related changes in amortization of the deferred gain.

The following table presents General Insurance net premiums written by segment, showing change on both reported and constant dollar basis:

Three Months Ended March 31,			Percentage Change in	
(in millions)	2025	2024	U.S. dollars	Original Currency
North America Commercial	$ 1,174	$ 1,033	14 %	14 %
International Commercial	2,027	1,939	5	8
Global Personal	1,325	1,540	(14)	(11)
Total net premiums written	$ 4,526	$ 4,512	— %	3 %

The following tables present General Insurance accident year catastrophes[a] by segment:

(dollars in millions)	North America Commercial	International Commercial	Global Personal	Total
Three Months Ended March 31, 2025				
Windstorms and hailstorms	**$ 25**	**$ 1**	**$ 2**	**$ 28**
Winter storms	**12**	**—**	**—**	**12**
Wildfires	**216**	**50**	**194**	**460**
Earthquakes	**—**	**20**	**—**	**20**
Reinstatement premiums	**5**	**(1)**	**1**	**5**
Total catastrophe-related charges	**$ 258**	**$ 70**	**$ 197**	**$ 525**
Three Months Ended March 31, 2024				
Windstorms and hailstorms	$ 29	$ —	$ 13	$ 42
Winter storms	43	—	7	50
Earthquakes	—	15	—	15
Reinstatement premiums	—	(1)	—	(1)
Total catastrophe-related charges	$ 72	$ 14	$ 20	$ 106

(a) Natural catastrophe losses are generally weather or seismic events, in each case, having a net impact on AIG in excess of $10 million and man-made catastrophe losses, such as terrorism and civil unrest that exceed the $10 million threshold.

NORTH AMERICA COMMERCIAL RESULTS

Three Months Ended March 31, (in millions)	2025	2024	Change
Underwriting results:			
Net premiums written	**$ 1,174**	$ 1,033	14 %
Decrease in unearned premiums	**950**	950	—
Net premiums earned	**2,124**	1,983	7
Losses and loss adjustment expenses incurred[a]	**1,526**	1,270	20
Acquisition expenses:			
Amortization of deferred policy acquisition costs	**227**	220	3
Other acquisition expenses	**47**	37	27
Total acquisition expenses	**274**	257	7
General operating expenses	**195**	220	(11)
Underwriting income	**$ 129**	$ 236	(45) %
Loss ratio[a]	**71.8**	64.0	7.8
Acquisition ratio	**12.9**	13.0	(0.1)
General operating expense ratio	**9.2**	11.1	(1.9)
Expense ratio	**22.1**	24.1	(2.0)
Combined ratio[a]	**93.9**	88.1	5.8
Adjustments for accident year loss ratio, as adjusted and accident year combined ratio, as adjusted:			
Catastrophe losses and reinstatement premiums	**(12.0)**	(3.6)	(8.4)
Prior year development, net of reinsurance and prior year premiums	**2.4**	1.4	1.0
Accident year loss ratio, as adjusted	**62.2**	61.8	0.4
Accident year combined ratio, as adjusted	**84.3**	85.9	(1.6)

(a) Consistent with our definition of APTI, excludes net loss reserve discount and the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under retroactive reinsurance agreements and related changes in amortization of the deferred gain.

Business and Financial Highlights

Net Premiums Written Comparison for the Three Months Ended March 31, 2025 and 2024

Net premiums written increased by $141 million primarily due to growth in Property and Casualty driven by new business production and strong retention.

Underwriting Income (Loss) Comparison for the Three Months Ended March 31, 2025 and 2024

Underwriting income decreased by $107 million primarily due to:

- higher Catastrophe losses (8.4 points or $186 million); and
- a higher accident year loss ratio, as adjusted (0.4 points) due to changes in business mix.

This decrease was partially offset by:

- a lower expense ratio (2.0 points) reflecting a lower general operating expense ratio (1.9 points), primarily driven by expense reductions, and acquisition ratio (0.1 points) primarily driven by changes in business mix; and
- higher net favorable prior year reserve development (1.0 points or $29 million), primarily driven by favorable development in Property.

INTERNATIONAL COMMERCIAL RESULTS

Three Months Ended March 31, (in millions)	2025	2024	Change
Underwriting results:			
Net premiums written	$ 2,027	$ 1,939	5 %
Decrease in unearned premiums	24	72	(67)
Net premiums earned	2,051	2,011	2
Losses and loss adjustment expenses incurred	1,178	1,088	8
Acquisition expenses:			
Amortization of deferred policy acquisition costs	245	244	—
Other acquisition expenses	94	89	6
Total acquisition expenses	339	333	2
General operating expenses	294	260	13
Underwriting income	$ 240	$ 330	(27) %
Loss ratio	57.4	54.1	3.3
Acquisition ratio	16.5	16.6	(0.1)
General operating expense ratio	14.3	12.9	1.4
Expense ratio	30.8	29.5	1.3
Combined ratio	88.2	83.6	4.6
Adjustments for accident year loss ratio, as adjusted and accident year combined ratio, as adjusted:			
Catastrophe losses and reinstatement premiums	(3.4)	(0.7)	(2.7)
Prior year development, net of reinsurance and prior year premiums	0.6	0.1	0.5
Accident year loss ratio, as adjusted	54.6	53.5	1.1
Accident year combined ratio, as adjusted	85.4	83.0	2.4

Business and Financial Highlights

Net Premiums Written Comparison for the Three Months Ended March 31, 2025 and 2024

Net premiums written, excluding the unfavorable impact of foreign exchange ($65 million), increased by $153 million primarily due to growth in Property and Global Specialty driven by strength of renewal retentions and new business production.

Underwriting Income (Loss) Comparison for the Three Months Ended March 31, 2025 and 2024

Underwriting income decreased by $90 million primarily due to:

- higher catastrophe losses (2.7 points or $56 million);
- a higher expense ratio (1.3 points) reflecting an increase in the general operating expense ratio (1.4 points), partially offset by lower acquisition ratio (0.1 points) primarily driven by changes in business mix; and
- a higher accident year loss ratio, as adjusted (1.1 points) due to changes in business mix.

This decrease was partially offset by:

- higher net favorable prior year reserve development (0.5 points or $7 million), primarily driven by favorable development in Global Specialty.

GLOBAL PERSONAL RESULTS

Three Months Ended March 31, (in millions)	2025	2024	Change 2025 vs 2024
Underwriting results:			
Net premiums written	$ 1,325	$ 1,540	(14) %
Decrease in unearned premiums	269	252	7
Net premiums earned	1,594	1,792	(11)
Losses and loss adjustment expenses incurred	1,062	995	7
Acquisition expenses:			
Amortization of deferred policy acquisition costs	353	364	(3)
Other acquisition expenses	91	149	(39)
Total acquisition expenses	444	513	(13)
General operating expenses	214	254	(16)
Underwriting income (loss)	$ (126)	$ 30	NM %
Loss ratio	66.6	55.5	11.1
Acquisition ratio	27.9	28.6	(0.7)
General operating expense ratio	13.4	14.2	(0.8)
Expense ratio	41.3	42.8	(1.5)
Combined ratio	107.9	98.3	9.6
Adjustments for accident year loss ratio, as adjusted and accident year combined ratio, as adjusted:			
Catastrophe losses and reinstatement premiums	(12.3)	(1.1)	(11.2)
Prior year development, net of reinsurance and prior year premiums	—	(0.2)	0.2
Accident year loss ratio, as adjusted	54.3	54.2	0.1
Accident year combined ratio, as adjusted	95.6	97.0	(1.4)

Business and Financial Highlights

Net Premiums Written Comparison for the Three Months Ended March 31, 2025 and 2024

Net premiums written, excluding the unfavorable impact of foreign exchange ($46 million), decreased by $169 million due to the sale of AIG's global individual personal travel insurance and assistance business in December 2024 ($209 million), partially offset by growth in Personal Auto from positive rate change and new business production.

Underwriting Income (Loss) Comparison for the Three Months Ended March 31, 2025 and 2024

Underwriting loss of $126 million in 2025 as compared to underwriting income of $30 million in 2024 is primarily due to:

- higher catastrophe losses (11.2 points or $177 million); and
- a higher accident year loss ratio, as adjusted (0.1 points) due to changes in business mix.

This decrease was partially offset by:

- a lower expense ratio (1.5 points) reflecting a decrease in the general operating expense ratio (0.8 points), as well as lower acquisition ratio (0.7 points) primarily driven by change in business mix; and
- unfavorable prior year reserve development in 2024 (0.2 points or $6 million).

Other Operations

Other Operations predominantly consists of Net Investment Income from our AIG Parent liquidity portfolio, Corebridge dividend income, corporate General operating expenses, and Interest expense.

OTHER OPERATIONS RESULTS

Three Months Ended March 31, *(in millions)*	**2025**	2024	Change
Net investment income and other	$ 110	$ 73	51 %
Benefits, losses and expenses:			
Corporate and other general operating expenses	85	158	(46)
Amortization of intangible assets	4	4	—
Interest expense	91	115	(21)
Total benefits, losses and expenses	180	277	(35)
Adjusted pre-tax loss before consolidation and eliminations	(70)	(204)	66
Consolidation and eliminations	—	(1)	NM
Adjusted pre-tax loss*	$ (70)	$ (205)	66 %

* In the fourth quarter of 2024, AIG realigned and began excluding the net results of run-off businesses previously reported in Other Operations from Adjusted pre-tax income. Historical results have been recast to reflect these changes.

THREE MONTHS ENDED MARCH 31, 2025 AND 2024 COMPARISON

Adjusted pre-tax loss before consolidation and eliminations was $70 million in 2025 compared to $204 million in 2024, a decrease of $134 million, primarily due to:

- higher net investment income and other of $37 million due to dividend income from Corebridge in 2025 of $31 million partially offset by lower income on AIG Parent portfolio due to lower yields;
- lower corporate and other general operating expenses of $73 million primarily driven by employee-related costs and other operating expenses; and
- lower interest expense of $24 million primarily driven by interest savings from $2.0 billion debt repurchases, through cash tender offers and debt redemption and maturities in 2024.

Investments

OVERVIEW

Our investment strategies are tailored to the specific business needs of each segment by targeting an asset allocation mix that supports estimated cash flow needs of our outstanding liabilities and provides diversification from an asset class, sector, issuer, and geographic perspective. The primary objectives are generation of investment income, preservation of capital, liquidity management and growth of surplus. The majority of assets backing our insurance liabilities consist of fixed maturity securities.

Our Investment Management Agreements with BlackRock, Inc.

Since April 2022, AIG insurance company subsidiaries have entered into separate investment management agreements with BlackRock, Inc. and its investment advisory affiliates (BlackRock). As of March 31, 2025, BlackRock manages $64 billion of our investment portfolio, consisting of liquid fixed income, certain private placements and private equity assets. In addition, liquid fixed income assets associated with the Fortitude Re funds withheld asset portfolio were separately transferred to BlackRock for management in 2022.

INVESTMENT HIGHLIGHTS IN THE THREE MONTHS ENDED MARCH 31, 2025

- Blended investment yields on new investments are higher than blended rates on investments that were sold, matured or called during this period. We continued to make investments in structured securities and other fixed maturity securities with attractive risk-adjusted return characteristics to improve yields and increase net investment income.
- Total Net investment income increased for the three months ended March 31, 2025 compared to the same period in the prior year, primarily due to change in fair value and dividend income from AIG's equity in Corebridge, higher income on available for sale fixed maturity securities and lower expenses, partially offset by lower income from short term instruments, mortgage loans and other invested assets.

INVESTMENT STRATEGIES

Investment strategies are assessed at the segment level and involve considerations that include local and general market and economic conditions, duration and cash flow management, risk appetite and volatility constraints, rating agency and regulatory capital considerations, tax, regulatory and legal investment limitations, and, as applicable, environmental, social and governance considerations.

Some of our key investment strategies are as follows:

- Our fundamental strategy across the portfolios is to seek investments with similar duration and cash flow characteristics to the associated insurance liabilities to the extent practicable.
- We seek to purchase investments that offer enhanced yield through illiquidity premiums, such as private placements and commercial mortgage loans, which also add portfolio diversification. These assets typically afford credit protections through covenants, ability to customize structures that meet our insurance liability needs, and deeper due diligence given information access.
- Given our global presence, we seek investments that provide diversification from investments available in local markets. To the extent we purchase these investments, we generally hedge any currency risk using derivatives, which could provide opportunities to earn higher risk adjusted returns compared to investments in the functional currency.
- AIG Parent, included in Other Operations, actively manages its assets and liabilities, counterparties and duration. AIG Parent’s liquidity sources are held primarily in the form of cash and short-term investments. This strategy allows us to both diversify our sources of liquidity and reduce the cost of maintaining sufficient liquidity.
- Within the U.S., General Insurance investments are generally split between reserve backing and surplus portfolios.
  - Insurance reserves are backed mainly by investment grade fixed maturity securities that meet our duration, risk-return, capital, tax, liquidity, credit quality and diversification objectives. We assess asset classes based on their fundamental underlying risk factors, including credit (public and private), commercial real estate and residential real estate, regardless of whether such investments are bonds, loans, or structured products.
  - Surplus investments seek to enhance portfolio returns and are generally comprised of a mix of fixed maturity investment grade and below investment grade securities and various alternative asset classes, including private equity, real estate equity, and hedge funds. Over the past few years, hedge fund investments have been reduced.

- Outside of the U.S., fixed maturity securities held by our insurance companies consist primarily of investment-grade securities generally denominated in the currencies of the countries in which we operate.
- We also utilize derivatives to manage our asset and liability duration as well as currency exposures.

Asset-Liability Management

The investment strategy within the General Insurance companies focuses on growth of surplus, maintenance of sufficient liquidity for unanticipated insurance claims, and preservation of capital. General Insurance invests primarily in fixed maturity securities issued by corporations, municipalities and other governmental agencies; structured securities collateralized by, among other assets, residential and commercial real estate; and commercial mortgage loans. Fixed maturity securities of the General Insurance companies have an average duration of 3.9 years, with an average of 4.3 years for North America and 3.2 years for International.

While invested assets backing reserves of the General Insurance companies are primarily invested in conventional liquid fixed maturity securities, we have continued to allocate to asset classes that offer higher yields through structural and illiquidity premiums, particularly in our North America operations. In addition, we continue to invest in both fixed rate and floating rate asset-backed investments to manage our exposure to potential changes in interest rates and inflation. We seek to diversify the portfolio across asset classes, sectors and issuers to mitigate idiosyncratic portfolio risks.

In addition, a portion of the surplus of General Insurance companies is invested in a diversified portfolio of alternative investments that seek to balance liquidity, volatility and growth of surplus. Although these alternative investments are subject to periodic earnings fluctuations, they have historically achieved yields in excess of the fixed maturity portfolio yields and have provided added diversification to the broader portfolio.

Available-for-Sale Investments

The following table presents the fair value of our available-for-sale securities:

(in millions)	March 31, 2025	December 31, 2024
Bonds available for sale:		
U.S. government and government sponsored entities	$ 3,177	$ 3,267
Obligations of states, municipalities and political subdivisions	3,031	3,143
Non-U.S. governments	6,727	8,107
Corporate debt	34,813	31,826
Mortgage-backed, asset-backed and collateralized:		
RMBS	9,052	8,604
CMBS	3,565	3,926
CLO/ABS	5,662	5,133
Total mortgage-backed, asset-backed and collateralized	18,279	17,663
Total bonds available for sale*	$ 66,027	$ 64,006

* At March 31, 2025 and December 31, 2024, the fair value of bonds available for sale held by us that were below investment grade or not rated totaled $5.5 billion and $3.6 billion, respectively.

The following table presents the fair value of our aggregate credit exposures to non-U.S. governments for our fixed maturity securities:

(in millions)	March 31, 2025	December 31, 2024
Canada	$ 1,320	$ 1,384
Japan	567	555
Germany	424	834
Australia	341	335
Israel	331	312
Korea, Republic of	310	268
United Kingdom	306	416
Denmark	214	205
Malaysia	210	220
Singapore	200	204
Other	2,526	3,398
Total	$ 6,749	$ 8,131

The following table presents the fair value of our aggregate European credit exposures by major sector for our fixed maturity securities:

	March 31, 2025					December 31, 2024
(in millions)	Sovereign	Financial Institution	Non-Financial Corporates	Structured Products	Total	Total
Euro-Zone countries:						
France	$ 129	$ 1,400	$ 468	$ 18	$ 2,015	$ 1,989
Germany	424	237	882	54	1,597	1,863
Netherlands	112	554	313	32	1,011	935
Ireland	—	95	114	519	728	584
Spain	10	293	102	52	457	321
Italy	12	88	310	—	410	369
Denmark	214	45	21	—	280	257
Belgium	14	159	81	13	267	242
Luxembourg	—	78	80	—	158	157
Hungary	75	—	5	—	80	73
Other Euro-Zone	144	97	27	23	291	305
Total Euro-Zone	$ 1,134	$ 3,046	$ 2,403	$ 711	$ 7,294	$ 7,095
Remainder of Europe:						
United Kingdom	$ 306	$ 1,362	$ 1,507	$ 324	$ 3,499	$ 3,262
Switzerland	15	245	256	—	516	484
Sweden	101	195	38	—	334	291
Jersey (Channel Islands)	3	—	2	91	96	94
Norway	47	42	6	—	95	110
Other - Remainder of Europe	38	3	9	2	52	50
Total - Remainder of Europe	$ 510	$ 1,847	$ 1,818	$ 417	$ 4,592	$ 4,291
Total	$ 1,644	$ 4,893	$ 4,221	$ 1,128	$ 11,886	$ 11,386

Investments in Municipal Bonds

At March 31, 2025, the U.S. municipal bond portfolio was composed primarily of essential service revenue bonds and high-quality tax-exempt bonds with 98 percent of the portfolio rated A or higher.

The following table presents the fair values of our available for sale U.S. municipal bond portfolio by state and municipal bond type:

	March 31, 2025				
(in millions)	State General Obligation	Local General Obligation	Revenue	Total Fair Value	December 31, 2024 Total Fair Value
California	$ 209	$ 147	$ 351	$ 707	$ 716
New York	38	74	299	411	422
Texas	1	115	110	226	265
Massachusetts	51	12	134	197	199
Florida	1	—	141	142	143
Pennsylvania	43	—	84	127	133
Connecticut	38	3	83	124	125
Illinois	4	26	73	103	110
Georgia	50	4	24	78	79
Hawaii	68	—	4	72	74
Oregon	13	45	13	71	71
Washington	5	10	46	61	61
New Jersey	1	1	57	59	58
All other states	52	25	576	653	687
Total	$ 574	$ 462	$ 1,995	$ 3,031	$ 3,143

Investments in Corporate Debt Securities

The following table presents the fair value of our available for sale corporate debt securities by industry categories:

Industry Category *(in millions)*		March 31, 2025		December 31, 2024
Financial institutions:				
Money center/Global bank groups	$	4,620	$	3,642
Regional banks – other		2,580		2,129
Life insurance		772		728
Securities firms and other finance companies		732		669
Insurance non-life		468		494
Regional banks – North America		1,367		1,314
Other financial institutions		4,368		4,116
Utilities		2,838		2,659
Communications		1,907		1,844
Consumer noncyclical		2,890		2,715
Capital goods		1,835		1,715
Energy		1,796		1,702
Consumer cyclical		3,505		3,284
Basic materials		1,902		1,838
Other		3,233		2,977
Total*	$	34,813	$	31,826

* At March 31, 2025 and December 31, 2024, approximately 89 percent and 88 percent, respectively, of these investments were rated investment grade.

Investments in Residential Mortgage Backed Securities (RMBS)

The following table presents the fair value of AIG's RMBS available for sale securities:

(in millions)		March 31, 2025		December 31, 2024
Agency RMBS	$	4,976	$	4,978
Alt-A RMBS		1,656		1,620
Subprime RMBS		288		291
Prime non-agency		894		850
Other housing related		1,238		865
Total RMBS[(a)(b)]	$	9,052	$	8,604

(a) Includes approximately $1.3 billion at both March 31, 2025 and December 31, 2024, of certain RMBS that had experienced deterioration in credit quality since their origination. This excludes impact of U.S. debt downgrade of Fannie Mae and Freddie Mac. *For additional information on purchased credit deteriorated securities, see Note 6 to the Condensed Consolidated Financial Statements.*

(b) The weighted average expected life was six years at both March 31, 2025 and December 31, 2024.

Our investments guidelines for investing in RMBS, collateralized loan obligations (CLO) and other asset-backed securities (ABS) take into consideration the quality of the originator, the manager, the servicer, security credit ratings, underlying characteristics of the mortgages, borrower characteristics, and the level of credit enhancement in the transaction.

Investments in Commercial Mortgage Backed Securities (CMBS)

The following table presents the fair value of our CMBS available for sale securities:

(in millions)		March 31, 2025		December 31, 2024
CMBS (traditional)	$	2,938	$	3,102
Agency		348		574
Other		279		250
Total	$	3,565	$	3,926

The fair value of CMBS holdings remained stable during the three months ended March 31, 2025. The majority of our investments in CMBS are in tranches that contain substantial credit protection features through collateral subordination. The majority of CMBS holdings are traditional conduit transactions, broadly diversified across property types and geographical areas.

Investments in CLO/ABS

The following table presents the fair value of our CLO/ABS available for sale securities by collateral type:

(in millions)		March 31, 2025		December 31, 2024
Collateral Type:				
ABS	$	2,644	$	2,445
Bank loans		3,018		2,688
Total	$	5,662	$	5,133

Unrealized Losses of Fixed Maturity Securities

The following table shows the aging of the unrealized losses of fixed maturity securities, the extent to which the fair value is less than amortized cost or cost, and the number of respective items in each category:

March 31, 2025	Less Than or Equal to 20% of Cost[b]			Greater Than 20% to 50% of Cost[b]			Greater Than 50% of Cost[b]			Total		
Aging[a] (dollars in millions)	Cost[c]	Unrealized Loss	Items[d]	Cost[c]	Unrealized Loss	Items[d]	Cost[c]	Unrealized Loss	Items[d]	Cost[c]	Unrealized Loss	Items[d]
Investment grade bonds												
0-6 months	$ 15,654	$ 268	4,161	$ 100	$ 25	6	$ 2	$ 1	2	$ 15,756	$ 294	4,169
7-11 months	575	23	135	22	5	3	—	—	—	597	28	138
12 months or more	14,587	1,303	4,310	2,018	646	438	339	198	31	16,944	2,147	4,779
Total	$ 30,816	$ 1,594	8,606	$ 2,140	$ 676	447	$ 341	$ 199	33	$ 33,297	$ 2,469	9,086
Below investment grade bonds												
0-6 months	$ 2,138	$ 41	1,143	$ 28	$ 7	18	$ 8	$ 4	4	$ 2,174	$ 52	1,165
7-11 months	109	5	92	15	4	3	5	3	11	129	12	106
12 months or more	897	71	489	170	49	61	28	23	9	1,095	143	559
Total	$ 3,144	$ 117	1,724	$ 213	$ 60	82	$ 41	$ 30	24	$ 3,398	$ 207	1,830
Total bonds												
0-6 months	$ 17,792	$ 309	5,304	$ 128	$ 32	24	$ 10	$ 5	6	$ 17,930	$ 346	5,334
7-11 months	684	28	227	37	9	6	5	3	11	726	40	244
12 months or more	15,484	1,374	4,799	2,188	695	499	367	221	40	18,039	2,290	5,338
Total	$ 33,960	$ 1,711	10,330	$ 2,353	$ 736	529	$ 382	$ 229	57	$ 36,695	$ 2,676	10,916

(a) Represents the number of consecutive months that fair value has been less than cost by any amount.

(b) Represents the percentage by which fair value is less than cost.

(c) For bonds, represents amortized cost net of allowance.

(d) Item count is by CUSIP by subsidiary.

The allowance for credit losses was $4 million for investment grade bonds and $27 million for below investment grade bonds as of March 31, 2025.

Commercial Mortgage Loans

At March 31, 2025, we had direct commercial mortgage loan exposure of $3.3 billion.

The following table presents the commercial mortgage loan exposure by location and class of loan based on amortized cost:

(dollars in millions)	Number of Loans	Class: Apartments	Offices	Retail	Industrial	Hotel	Others	Total	Percent of Total
March 31, 2025									
State:									
California	21	$ 98	$ 249	$ 28	$ 56	$ 32	$ —	$ 463	14 %
New York	18	44	192	70	20	32	—	358	11
Texas	19	78	200	2	31	21	—	332	10
Massachusetts	9	94	163	49	7	—	—	313	10
Florida	11	68	—	61	8	38	—	175	5
New Jersey	18	80	—	—	43	—	10	133	4
Pennsylvania	11	21	57	29	18	—	—	125	4
Illinois	6	88	20	—	—	—	—	108	3

(dollars in millions)	Number of Loans	Class Apartments	Offices	Retail	Industrial	Hotel	Others	Total	Percent of Total
Ohio	**5**	**62**	**—**	**29**	**—**	**—**	**—**	**91**	**3**
Washington	**5**	**49**	**—**	**—**	**—**	**11**	**—**	**60**	**2**
Other states	**27**	**133**	**33**	**63**	**33**	**—**	**—**	**262**	**8**
Foreign	**35**	**302**	**190**	**78**	**72**	**118**	**112**	**872**	**26**
Total*	**185**	**$ 1,117**	**$ 1,104**	**$ 409**	**$ 288**	**$ 252**	**$ 122**	**$ 3,292**	**100 %**
December 31, 2024									
State:									
California	21	$ 97	$ 247	$ 30	$ 56	$ 32	$ —	$ 462	14 %
New York	19	43	217	70	20	32	—	382	12
Texas	19	78	201	2	31	22	—	334	10
Massachusetts	9	94	156	49	7	—	—	306	9
Florida	11	68	—	62	8	38	—	176	5
New Jersey	18	78	—	—	43	—	10	131	4
Pennsylvania	10	18	52	29	18	—	—	117	4
Illinois	6	88	20	—	—	—	—	108	3
Ohio	5	62	—	29	—	—	—	91	3
Washington	5	49	—	—	—	11	—	60	2
Other states	31	134	33	63	49	6	—	285	8
Foreign	36	278	182	98	69	117	109	853	26
Total*	190	$ 1,087	$ 1,108	$ 432	$ 301	$ 258	$ 119	$ 3,305	100 %

* Does not reflect allowance for credit losses.

For additional information on commercial mortgage loans, see Note 7 to the Condensed Consolidated Financial Statements.

Net Realized Gains and Losses

The following table presents the components of Net realized gains (losses):

Three Months Ended March 31, (in millions)	2025 Excluding Fortitude Re Funds Withheld Assets	2025 Fortitude Re Funds Withheld Assets	2025 Total	2024 Excluding Fortitude Re Funds Withheld Assets	2024 Fortitude Re Funds Withheld Assets	2024 Total
Sales of fixed maturity securities	**$ (255)**	**$ (7)**	**$ (262)**	$ (86)	$ (15)	$ (101)
Change in allowance for credit losses on fixed maturity securities	**8**	**—**	**8**	(1)	—	(1)
Change in allowance for credit losses on loans	**5**	**4**	**9**	(8)	(2)	(10)
Foreign exchange transactions	**220**	**6**	**226**	59	(3)	56
All other derivatives and hedge accounting	**(28)**	**(6)**	**(34)**	(48)	2	(46)
Sales of alternative investments	**—**	**—**	**—**	10	(1)	9
Other	**(10)**	**1**	**(9)**	15	—	15
Net realized gains (losses) – excluding Fortitude Re funds withheld embedded derivative	**(60)**	**(2)**	**(62)**	(59)	(19)	(78)
Net realized losses on Fortitude Re funds withheld embedded derivative	**—**	**(41)**	**(41)**	—	(9)	(9)
Net realized gains (losses)	**$ (60)**	**$ (43)**	**$ (103)**	$ (59)	$ (28)	$ (87)

Net realized losses excluding Fortitude Re funds withheld assets in the three months ended March 31, 2025 was flat compared to 2024.

Net realized gains (losses) on Fortitude Re funds withheld assets primarily reflect changes in the valuation of the modified coinsurance and funds withheld assets. Increases in the valuation of these assets result in losses to AIG as the appreciation on the assets under those reinsurance arrangements must be transferred to Fortitude Re. Decreases in valuation of the assets result in gains to AIG as the depreciation on the assets under those reinsurance arrangements must be transferred to Fortitude Re. *For additional information on the impact of the funds withheld arrangements with Fortitude Re, see Note 8 to the Condensed Consolidated Financial Statements.*

For additional information on our investment portfolio, see Note 6 to the Condensed Consolidated Financial Statements.

Change in Unrealized Gains and Losses on Investments

The change in net unrealized gains and losses on investments in the three months ended March 31, 2025 was primarily attributable to a change in the fair value of fixed maturity securities. For the three months ended March 31, 2025, net unrealized gains were $322 million due to lower interest rates and narrowing of credit spreads.

The change in net unrealized gains and losses on investments in the three months ended March 31, 2024 was primarily attributable to a change in the fair value of fixed maturity securities. For the three months ended March 31, 2024, net unrealized losses were $132 million primarily due to widening of credit spreads.

For additional information on our investment portfolio, see Note 6 to the Condensed Consolidated Financial Statements.

CREDIT RATINGS

At March 31, 2025, approximately 61 percent of our fixed maturity securities were held by our U.S. entities. Approximately 90 percent of these securities were rated investment grade by one or more of the principal rating agencies.

Moody's Investors Service Inc. (Moody's), Standard & Poor's Financial Services LLC, a subsidiary of S&P Global Inc. (S&P), or similar foreign rating services rate a significant portion of our foreign entities' fixed maturity securities portfolio. Rating services are not available for some foreign-issued securities. We closely monitor the credit quality of the foreign portfolio's non-rated fixed maturity securities. At March 31, 2025, approximately 94 percent of such investments were either rated investment grade or, on the basis of analysis of our investment managers, were equivalent from a credit standpoint to securities rated investment grade. Approximately 18 percent of the foreign entities' fixed maturity securities portfolio is comprised of sovereign fixed maturity securities supporting policy liabilities in the country of issuance.

Composite AIG Credit Ratings

With respect to our fixed maturity securities, the credit ratings in the table below and in subsequent tables reflect: (i) a composite of the ratings of the three major rating agencies, or when agency ratings are not available, the National Association of Insurance Commissioners (NAIC) Designation assigned by the NAIC Securities Valuation Office (SVO) (96 percent of total fixed maturity securities), or (ii) our internal ratings when these investments have not been rated by any of the major rating agencies or the NAIC. The "Non-rated" category in those tables consists of fixed maturity securities that have not been rated by any of the major rating agencies, the NAIC or us.

For information regarding credit risks associated with investments, see Part II, Item 7. MD&A – Enterprise Risk Management in the 2024 Annual Report.

The following table presents the composite AIG credit ratings of our fixed maturity securities calculated on the basis of their fair value:

	Available for Sale		Other		Total	
(in millions)	**March 31, 2025**	December 31, 2024	**March 31, 2025**	December 31, 2024	**March 31, 2025**	December 31, 2024
Rating:						
Other fixed maturity securities						
AAA	**$ 4,032**	$ 5,254	**$ 14**	$ 13	**$ 4,046**	$ 5,267
AA	**9,134**	9,599	**79**	80	**9,213**	9,679
A	**16,768**	14,420	**107**	114	**16,875**	14,534
BBB	**13,495**	12,839	**153**	145	**13,648**	12,984
Below investment grade	**4,253**	4,171	**4**	4	**4,257**	4,175
Non-rated	**66**	60	**—**	—	**66**	60
Total	**$ 47,748**	$ 46,343	**$ 357**	$ 356	**$ 48,105**	$ 46,699
Mortgage-backed, asset-backed and collateralized						
AAA	**$ 9,732**	$ 8,757	**$ 130**	$ 134	**$ 9,862**	$ 8,891
AA	**6,468**	6,765	**57**	89	**6,525**	6,854
A	**463**	482	**94**	49	**557**	531
BBB	**431**	470	**85**	88	**516**	558
Below investment grade	**1,185**	1,189	**31**	29	**1,216**	1,218
Non-rated	**—**	—	**—**	—	**—**	—
Total	**$ 18,279**	$ 17,663	**$ 397**	$ 389	**$ 18,676**	$ 18,052
Total						
AAA	**$ 13,764**	$ 14,011	**$ 144**	$ 147	**$ 13,908**	$ 14,158
AA	**15,602**	16,364	**136**	169	**15,738**	16,533

	Available for Sale		Other		Total	
(in millions)	**March 31, 2025**	December 31, 2024	**March 31, 2025**	December 31, 2024	**March 31, 2025**	December 31, 2024
A	**17,231**	14,902	**201**	163	**17,432**	15,065
BBB	**13,926**	13,309	**238**	233	**14,164**	13,542
Below investment grade	**5,438**	5,360	**35**	33	**5,473**	5,393
Non-rated	**66**	60	**—**	—	**66**	60
Total	**$ 66,027**	$ 64,006	**$ 754**	$ 745	**$ 66,781**	$ 64,751

NAIC Designations of Fixed Maturity Securities

The SVO of the NAIC evaluates the investments of U.S. insurers for statutory reporting purposes and assigns fixed maturity securities to one of six categories called NAIC Designations. In general, NAIC Designations of ‘1’ highest quality, or ‘2’ high quality, include fixed maturity securities considered investment grade, while NAIC Designations of ‘3’ through ‘6’ generally include fixed maturity securities referred to as below investment grade. NAIC Designations for non-agency RMBS and CMBS are calculated using third party modeling results provided through the NAIC. These methodologies result in an improved NAIC Designation for such securities compared to the rating typically assigned by the three major rating agencies. The following tables summarize the ratings distribution of AIG subsidiaries’ fixed maturity security portfolio by NAIC Designation, and the distribution by composite AIG credit rating, which is generally based on ratings of the three major rating agencies. For fixed maturity securities where no NAIC Designation is assigned or able to be calculated using third-party data, the NAIC Designation category used in the first table below reflects an internal rating.

The NAIC Designations presented below do not reflect the added granularity to the designation categories adopted by the NAIC in 2020, which further subdivide each category of fixed maturity securities by appending letter modifiers to the numerical designations.

The following table presents the fixed maturity security portfolio categorized by NAIC Designation, at fair value:

March 31, 2025
(in millions)

NAIC Designation	1	2	**Total Investment Grade**	3	4	5	6	**Total Below Investment Grade**	**Total**
Other fixed maturity securities	$ 29,425	$ 14,250	**$ 43,675**	$ 2,637	$ 1,545	$ 173	$ 15	**$ 4,370**	**$ 48,045**
Mortgage-backed, asset-backed and collateralized	17,928	532	**18,460**	103	77	32	4	**216**	**18,676**
Total*	$ 47,353	$ 14,782	**$ 62,135**	$ 2,740	$ 1,622	$ 205	$ 19	**$ 4,586**	**$ 66,721**

* Excludes $60 million of fixed maturity securities for which no NAIC Designation is available.

The following table presents the fixed maturity security portfolio categorized by composite AIG credit rating, at fair value:

March 31, 2025
(in millions)

Composite AIG Credit Rating	AAA/AA/A	BBB	**Total Investment Grade**	BB	B	CCC and Lower	**Total Below Investment Grade**	**Total**
Other fixed maturity securities	$ 30,134	$ 13,648	**$ 43,782**	$ 2,307	$ 1,769	$ 187	**$ 4,263**	**$ 48,045**
Mortgage-backed, asset-backed and collateralized	16,943	517	**17,460**	39	115	1,062	**1,216**	**18,676**
Total*	$ 47,077	$ 14,165	**$ 61,242**	$ 2,346	$ 1,884	$ 1,249	**$ 5,479**	**$ 66,721**

* Excludes $60 million of fixed maturity securities for which no NAIC Designation is available.

Insurance Reserves

LIABILITY FOR UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES (LOSS RESERVES)

The following table presents the components of our gross and net loss reserves by segment and major lines of business[(a)]:

	March 31, 2025			December 31, 2024		
(in millions)	Net Loss Reserves	Reinsurance Recoverable	Gross Loss Reserves	Net Loss Reserves	Reinsurance Recoverable	Gross Loss Reserves
General Insurance:						
North America Commercial:						
U.S. Workers' Compensation (net of discount)	$ 2,369	$ 3,804	$ 6,173	$ 2,293	$ 3,916	$ 6,209
U.S. Excess Casualty	3,240	3,030	6,270	3,208	3,139	6,347
U.S. Other Casualty	4,451	3,217	7,668	4,387	3,416	7,803
U.S. Financial Lines	5,415	1,400	6,815	5,422	1,614	7,036
U.S. Property and Special Risks	4,279	875	5,154	4,297	1,233	5,530
Other product lines[(b)]	3,519	2,677	6,196	3,747	2,947	6,694
Total North America Commercial	23,273	15,003	38,276	23,354	16,265	39,619
International Commercial:						
UK/Europe Casualty and Financial Lines	7,929	2,053	9,982	7,280	1,952	9,232
UK/Europe Property and Special Risks	2,823	1,793	4,616	2,355	1,761	4,116
Other product lines[(b)]	1,714	1,304	3,018	1,630	1,230	2,860
Total International Commercial	12,466	5,150	17,616	11,265	4,943	16,208
Global Personal:						
U.S. Personal Insurance	897	2,005	2,902	836	2,048	2,884
UK/Europe and Japan Personal Insurance	1,326	687	2,013	1,269	670	1,939
Other product lines[(b)]	986	750	1,736	983	776	1,759
Total Global Personal	3,209	3,442	6,651	3,088	3,494	6,582
Unallocated loss adjustment expenses[(b)]	1,524	656	2,180	1,804	744	2,548
Total General Insurance	40,472	24,251	64,723	39,511	25,446	64,957
Other Operations	625	3,548	4,173	631	3,580	4,211
Total	$ 41,097	$ 27,799	$ 68,896	$ 40,142	$ 29,026	$ 69,168

(a) Includes net loss reserve discount of $1.2 billion and $1.2 billion at March 31, 2025 and December 31, 2024, respectively. *For information regarding loss reserve discount, see Note 12 to the Condensed Consolidated Financial Statements.*

(b) Other product lines and Unallocated loss adjustment expenses includes Gross liability for unpaid losses and loss adjustment expense and Reinsurance recoverable on unpaid losses and loss adjustment expense for the Fortitude Re reinsurance of $2.5 billion and $2.7 billion at March 31, 2025 and December 31, 2024, respectively.

Prior Year Development

The following table summarizes incurred (favorable) unfavorable prior year development net of reinsurance by segment and major lines of business:

Three Months Ended March 31, *(in millions)*	2025	2024
General Insurance:		
North America Commercial:		
U.S. Workers' Compensation	$ (10)	$ (11)
U.S. Excess Casualty	(7)	(8)
U.S. Other Casualty	(7)	(8)
U.S. Financial Lines	(5)	(5)
U.S. Property and Special Risks	(21)	—
Other Product Lines	—	—
Total North America Commercial	$ (50)	$ (32)
International Commercial:		
UK/Europe Casualty and Financial Lines	$ —	$ —
UK/Europe Property and Special Risks	(13)	—
Other Product Lines	(1)	(2)
Total International Commercial	$ (14)	$ (2)

Three Months Ended March 31, (in millions)	2025	2024
Global Personal:		
U.S. Personal Insurance	$ —	$ —
UK/Europe and Japan Personal Insurance	(1)	—
Other Product Lines	1	—
Total Global Personal	$ —	$ —
Total General Insurance*	$ (64)	$ (34)
Other Operations Run-Off	—	—
Total Prior Year (Favorable) Unfavorable Development	$ (64)	$ (34)

* Includes the amortization attributed to the deferred gain at inception from the National Indemnity Company (NICO) adverse development reinsurance agreement of $31 million and $34 million for the three months ended March 31, 2025 and 2024, respectively. Consistent with our definition of APTI, the amount excludes the portion of (favorable)/unfavorable prior year reserve development for which we have ceded the risk under the NICO reinsurance agreements of $0 million and $0 million for the three months ended March 31, 2025 and 2024, respectively. Also excludes the related changes in amortization of the deferred gain, which were $(9) million and $(2) million for the three months ended March 31, 2025 and 2024, respectively.

Net Loss Development

In the three months ended March 31, 2025, we recognized favorable prior year loss reserve development of $64 million. The key components of this development were:

North America Commercial

- Favorable development in U.S. Property.
- Amortization benefit related to the deferred gain on the adverse development cover.

International Commercial

- Favorable development in Global Specialty.

In the three months ended March 31, 2024, we recognized favorable prior year loss reserve development of $34 million. The key components of this development were:

North America Commercial

- Amortization benefit related to the deferred gain on the adverse development cover.

We note that for certain categories of claims (e.g., construction defect claims and environmental claims) and for reinsurance recoverable, losses may sometimes be reclassified to an earlier or later accident year as more information about the date of occurrence becomes available to us.

Significant Reinsurance Agreements

In the first quarter of 2017, we entered into an adverse development reinsurance agreement with NICO, under which we transferred to NICO 80 percent of the reserve risk on substantially all of our U.S. Commercial long-tail exposures for accident years 2015 and prior. Under this agreement, we ceded to NICO 80 percent of the losses on subject business paid on or after January 1, 2016 in excess of $25 billion of net paid losses, up to an aggregate limit of $25 billion. We account for this transaction as retroactive reinsurance. This transaction resulted in a gain, which under GAAP retroactive reinsurance accounting is deferred and amortized into income over the settlement period. NICO created a collateral trust account as security for their claim payment obligations to us, into which they deposited the consideration paid under the agreement, and Berkshire Hathaway Inc. has provided a parental guarantee to secure NICO's obligations under the agreement.

For a description of AIG's catastrophe reinsurance protection for 2025, see Part II, Item 7. MD&A – Enterprise Risk Management – Insurance Risks – Natural Catastrophe Risk in the 2024 Annual Report.

The table below shows the calculation of the deferred gain on the adverse development reinsurance agreement, the effect of discounting of loss reserves and amortization of the deferred gain.

(in millions)	March 31, 2025	December 31, 2024
Gross Covered Losses		
Covered reserves before discount	$ 9,743	$ 9,823
Inception to date losses paid	31,625	31,545
Attachment point	(25,000)	(25,000)
Covered losses above attachment point	$ 16,368	$ 16,368
Deferred Gain Development		
Covered losses above attachment ceded to NICO (80%)	$ 13,094	$ 13,094
Consideration paid including interest	(10,188)	(10,188)
Pre-tax deferred gain before discount and amortization	2,906	2,906
Discount on ceded losses[a]	(935)	(936)
Pre-tax deferred gain before amortization	1,971	1,970
Inception to date amortization of deferred gain at inception	(1,595)	(1,564)
Inception to date amortization attributed to changes in deferred gain[b]	(108)	(122)
Deferred gain liability reflected in AIG's balance sheet	$ 268	$ 284

(a) The accretion of discount and a reduction in effective interest rates is offset by changes in estimates of the amount and timing of future recoveries.

(b) Excluded from APTI.

The following table presents the rollforward of activity in the deferred gain from the adverse development reinsurance agreement:

Three Months Ended March 31, *(in millions)*	2025	2024
Balance at beginning of year, net of discount	$ 284	$ 149
(Favorable) unfavorable prior year reserve development ceded to NICO[a]	—	—
Amortization attributed to deferred gain at inception[b]	(31)	(34)
Amortization attributed to changes in deferred gain[c]	14	7
Changes in discount on ceded loss reserves	1	55
Balance at end of period, net of discount	$ 268	$ 177

(a) Prior year reserve development ceded to NICO under the retroactive reinsurance agreement is deferred under GAAP.

(b) Represents amortization of the deferred gain recognized in APTI.

(c) Excluded from APTI.

The lines of business subject to this agreement include those with longer tails, which carry a higher degree of uncertainty. Since inception, there have been periods of both favorable and unfavorable prior year development. This agreement will continue to reduce the impact of volatility in the development on our ultimate loss estimates over time.

Fortitude Re was established during the first quarter of 2018 in a series of reinsurance transactions related to our run-off operations. Those reinsurance transactions were designed to consolidate most of our insurance run-off lines into a single legal entity. As of March 31, 2025, $3.3 billion of reserves related to business written by multiple wholly-owned AIG subsidiaries, had been ceded to Fortitude Re under these reinsurance transactions.

Liquidity and Capital Resources

OVERVIEW

Liquidity refers to the ability to generate sufficient cash resources to meet the cash requirements of our business operations and payment obligations.

Capital refers to the long-term financial resources available to support the operation of our businesses, fund business growth and cover financial and operational needs that arise from adverse circumstances. Our primary source of ongoing capital generation is derived from the profitability of our insurance subsidiaries. We must comply with numerous constraints on our capital positions. These constraints drive the requirements for capital adequacy at AIG and the individual businesses and are based on internally defined risk tolerances, regulatory requirements, rating agency and creditor expectations and business needs.

For information regarding our liquidity risk framework, see Part II, Item 7. MD&A – Enterprise Risk Management – Risk Appetite, Limits, Identification and Measurement and Part II, Item 7. MD&A – Enterprise Risk Management – Liquidity Risk Management in the 2024 Annual Report.

We believe that we have sufficient liquidity and capital resources to satisfy future requirements and meet our obligations to policyholders, customers, creditors and debt-holders, including those arising from reasonably foreseeable contingencies or events. Nevertheless, some circumstances may cause our cash or capital needs to exceed projected liquidity or readily deployable capital resources.

For information regarding risks associated with our liquidity and capital resources, see Part I, Item 1A. Risk Factors – Liquidity, Capital and Credit in the 2024 Annual Report.

Depending on market conditions, regulatory and rating agency considerations and other factors, we may take various liability and capital management actions. Liability management actions may include, but are not limited to, repurchasing or redeeming outstanding debt, issuing new debt or engaging in debt exchange offers. Capital management actions may include, but are not limited to, issuing preferred stock, paying dividends to our shareholders on AIG Common Stock, par value $2.50 per share (AIG Common Stock) and repurchases of AIG Common Stock.

LIQUIDITY AND CAPITAL RESOURCES HIGHLIGHTS

SOURCES

Liquidity to AIG Parent from Subsidiaries

During the three months ended March 31, 2025, our General Insurance companies distributed dividends of $0.4 billion to AIG Parent or applicable intermediate holding companies.

USES

General Borrowings

During the three months ended March 31, 2025, $0.2 billion of debt categorized as general borrowings matured, was repaid or redeemed, including:

- Repayment of ¥37.7 billion aggregate principal amount of AIG Japan Holdings Kabushiki Kaisha's borrowings, equivalent to approximately $250 million at the time of repayment.

We made interest payments on our general borrowings totaling $70 million during the three months ended March 31, 2025.

Dividends

During the three months ended March 31, 2025, we made a cash dividend payment in the amount of $0.40 per share on AIG Common Stock totaling $234 million.

Repurchases of Common Stock[a]

During the three months ended March 31, 2025, AIG Parent repurchased approximately 29 million shares of AIG Common Stock, for an aggregate purchase price of approximately $2.2 billion.

(a) Pursuant to a Securities Exchange Act of 1934 (the Exchange Act) Rule 10b5-1 repurchase plan, from April 1, 2025 to April 25, 2025, AIG Parent repurchased approximately 5 million shares of AIG Common Stock for an aggregate purchase price of approximately $374 million.

ANALYSIS OF SOURCES AND USES OF CASH

Operating Cash Flow Activities

Insurance companies generally receive most premiums in advance of the payment of claims or policy benefits. The ability of insurance companies to generate positive cash flow is affected by the frequency and severity of losses under their insurance policies, policy retention rates, effective management of their investment portfolio and operating expense discipline.

Interest payments totaled $72 million and $181 million in the three months ended March 31, 2025 and 2024, respectively. Excluding interest payments, AIG had operating cash inflows of $16 million in the three months ended March 31, 2025 compared to operating cash inflows of $702 million, including $265 million inflow from discontinued operations, in the prior year period.

Investing Cash Flow Activities

Net cash provided by investing activities in the three months ended March 31, 2025 was $2.8 billion, compared to net cash provided by investing activities of $306 million, including $2.7 billion used in discontinued operations, in the prior year period.

Financing Cash Flow Activities

Net cash used in financing activities in the three months ended March 31, 2025 totaled $2.7 billion, reflecting:

- $234 million to pay dividends of $0.40 per share on AIG Common Stock;
- $2.2 billion to repurchase approximately 29 million shares of AIG Common Stock; and
- $247 million in net outflows from the issuance and repayment of long-term debt.

Net cash used in financing activities in the three months ended March 31, 2024 totaled $1.1 billion reflecting:

- $243 million to pay dividends of $0.36 per share on AIG Common Stock;
- $22 million to pay quarterly dividends of $365.625 per share on AIG's Series A 5.85% Non-Cumulative Perpetual Preferred Stock and redemption premiums;
- $1.6 billion to repurchase approximately 23 million shares of AIG Common Stock;
- $459 million in net outflows from the issuance and repayment of long-term debt; and
- $1.9 billion in net inflows from discontinued operations.

LIQUIDITY AND CAPITAL RESOURCES OF AIG PARENT AND SUBSIDIARIES

AIG Parent

As of March 31, 2025 and December 31, 2024, respectively, AIG Parent had approximately $7.9 billion and $10.7 billion in liquidity sources held in the form of cash, short-term investments and AIG Parent's committed, revolving syndicated credit facility of $3.0 billion. AIG Parent's primary sources of liquidity are dividends, distributions, loans and other payments from subsidiaries and credit facilities. AIG Parent's primary uses of liquidity are for debt service, capital and liability management, operating expenses and dividends on AIG Common Stock.

We expect to access the debt and preferred equity markets from time to time to meet funding requirements as needed.

We utilize our capital resources to support our businesses, with the majority of capital allocated to our insurance operations. Should we have or generate more capital than is needed to support our business strategies (including organic or inorganic growth opportunities) or mitigate risks inherent to our business, we may develop plans to distribute such capital to shareholders via dividends or AIG Common Stock repurchase authorizations or deploy such capital towards liability management.

Insurance Companies

We expect that our insurance companies will be able to continue to satisfy reasonably foreseeable future liquidity requirements and meet their obligations, including those arising from reasonably foreseeable contingencies or events, through cash from operations and, to the extent necessary, monetization of invested assets.

Our insurance companies' liquidity resources are primarily held in the form of cash, short-term investments and publicly traded, investment grade rated fixed maturity securities. Each of our material insurance companies' liquidity is monitored through various internal liquidity risk measures. The primary sources of liquidity are premiums, fees, reinsurance recoverables and investment income and maturities. Certain of our insurance companies have access to Federal Home Loan Bank (FHLB) borrowings as an additional source of funding.

The primary uses of liquidity are paid losses, reinsurance payments, interest payments, dividends, expenses, investment purchases and collateral requirements. Payments of dividends to AIG Parent or intermediate holding companies by insurance subsidiaries are subject to certain restrictions imposed by regulatory authorities. *For information regarding restrictions on payments of dividends by our subsidiaries, see Note 18 to the Consolidated Financial Statements in the 2024 Annual Report.*

Our insurance companies may require additional funding to meet capital or liquidity needs under certain circumstances. For example, large catastrophes may require us to provide additional support to the affected operations of our insurance companies.

We are party to several letter of credit agreements with various financial institutions, which issue letters of credit from time to time in support of our insurance companies. These letters of credit are subject to reimbursement by us in the event of a drawdown of these letters of credit. Letters of credit issued in support of our insurance companies totaled approximately $2.3 billion at March 31, 2025.

CREDIT FACILITIES

We maintain a syndicated, multicurrency revolving credit facility (the Facility) as a potential source of liquidity for general corporate purposes with aggregate commitments by the bank syndicate to provide AIG Parent with unsecured revolving loans and/or standby letters of credit of up to $3.0 billion. The Facility is scheduled to expire in September 2029.

Our ability to utilize the Facility is conditioned on the satisfaction of certain legal, operating, administrative and financial covenants and other requirements contained in the Facility. These include covenants relating to our maintenance of a specified total consolidated net worth and total consolidated debt to total consolidated capitalization. Failure to satisfy these and other requirements contained in the Facility would restrict our access to the Facility and could have a material adverse effect on our financial condition, results of operations and liquidity.

As of March 31, 2025, a total of $3.0 billion remained available under the Facility.

CONTRACTUAL OBLIGATIONS

As of March 31, 2025, there have been no material changes in our contractual obligations from December 31, 2024, a description of which may be found in *Part II, Item 7. MD&A – Liquidity and Capital Resources – Contractual Obligations in the 2024 Annual Report.*

OFF-BALANCE SHEET ARRANGEMENTS AND COMMERCIAL COMMITMENTS

As of March 31, 2025, there have been no material changes in our off-balance sheet arrangements and commercial commitments from December 31, 2024, a description of which may be found in *Part II, Item 7. MD&A – Liquidity and Capital Resources – Off-Balance Sheet Arrangements and Commercial Commitments in the 2024 Annual Report*.

DEBT

We expect to service and repay general borrowings through maturing investments and dispositions of invested assets, future cash flows from operations, cash flows generated from invested assets, future debt or preferred stock issuances and other financing arrangements.

The following table provides the rollforward of our total debt outstanding:

Three Months Ended March 31, 2025 *(in millions)*	Balance, Beginning of Year	Issuances	Maturities and Repayments	Effect of Foreign Exchange	**Balance, End of Period**
General borrowings:					
Notes and bonds payable	$ 7,885	$ —	$ —	$ 71	**$ 7,956**
Junior subordinated debt	602	—	—	—	**602**
AIG Japan Holdings Kabushiki Kaisha	239	—	(247)	8	**—**
Total general borrowings	8,726	—	(247)	79	**8,558**
Borrowings supported by assets	37	—	—	—	**37**
Other subsidiaries' notes, bonds, loans and mortgages payable - not guaranteed by AIG	1	—	—	—	**1**
Total long-term debt	$ 8,764	$ —	$ (247)	$ 79	**$ 8,596**
Debt of consolidated investment entities - not guaranteed by AIG[(a)]	$ 158	$ —	(1)	—	**$ 157**

(a) At March 31, 2025, includes debt of consolidated investment entities primarily related to real estate investments of $157 million. At December 31, 2024, includes debt of consolidated investment entities related to real estate investments of $158 million.

The following table summarizes maturing long-term debt at March 31, 2025 of AIG for the next four quarters:

(in millions)	Second Quarter 2025	Third Quarter 2025	Fourth Quarter 2025	First Quarter 2026	Total
General borrowings	$ 146	$ —	$ —	$ —	**$ 146**
Borrowings supported by assets	—	—	12	7	**19**
Other subsidiaries' notes, bonds, loans and mortgages payable	—	—	1	—	**1**
Total	$ 146	$ —	$ 13	$ 7	**$ 166**

The following table presents maturities of long-term debt (including unamortized original issue discount, hedge accounting valuation adjustments and fair value adjustments, when applicable):

March 31, 2025		Remainder	Year Ending					
(in millions)	Total	of 2025	2026	2027	2028	2029	2030	Thereafter
General borrowings:								
Notes and bonds payable	**$ 7,956**	$ 146	$ 266	$ 885	$ 855	$ 260	$ 337	$ 5,207
Junior subordinated debt	**602**	—	—	—	—	—	—	602
Total general borrowings	**8,558**	**146**	**266**	**885**	**855**	**260**	**337**	**5,809**
Borrowings supported by assets	**37**	12	7	—	—	—	—	18
Other subsidiaries notes, bonds, loans and mortgages payable	**1**	1	—	—	—	—	—	—
Total long-term debt*	**$ 8,596**	**$ 159**	**$ 273**	**$ 885**	**$ 855**	**$ 260**	**$ 337**	**$ 5,827**

* Does not reflect $157 million of notes issued by consolidated investment entities, for which recourse is limited to the assets of the respective investment entities and for which there is no recourse to the general credit of AIG.

CREDIT RATINGS

Credit ratings estimate a company's ability to meet its obligations and may directly affect the cost and availability of financing to that company. The following table presents the credit ratings of AIG Parent as of the date of this filing. Figures in parentheses indicate the relative ranking of the ratings within the agency's rating categories; that ranking refers only to the major rating category and not to the modifiers assigned by the rating agencies.

	Short-Term Debt		Senior Long-Term Debt		
	Moody's	S&P	Moody's(a)	S&P(b)	Fitch(c)
American International Group, Inc.	**P-2 (2nd of 4)**	**A-2 (2nd of 5)**	**Baa 2 (4th of 9) / *Positive***	**BBB+ (4th of 9) / *Positive***	**BBB+ (4th of 9) / *Stable***

(a) Moody's appends numerical modifiers 1, 2 and 3 to the generic rating categories to show relative position within the rating categories.

(b) S&P ratings may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

(c) Fitch Ratings Inc. (Fitch) ratings may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

These credit ratings are current opinions of the rating agencies. They may be changed, suspended or withdrawn at any time by the rating agencies as a result of changes in, or unavailability of, information or based on other circumstances. Ratings may also be withdrawn at our request.

We are party to some agreements that contain "ratings triggers." Depending on the ratings maintained by one or more rating agencies, these triggers could result in (i) the termination or limitation of credit availability or a requirement for accelerated repayment, (ii) the termination of business contracts or (iii) a requirement to post collateral for the benefit of counterparties.

In the event of a downgrade of our long-term senior debt ratings, certain AIG entities would be required to post additional collateral under some derivative and other transactions, or certain of the counterparties of such entities would be permitted to terminate such transactions early.

The actual amount of collateral that we would be required to post to counterparties in the event of such downgrades, or the aggregate amount of payments that we could be required to make, depends on market conditions, the fair value of outstanding affected transactions and other factors prevailing at the time of the downgrade.

FINANCIAL STRENGTH RATINGS

Financial Strength ratings estimate an insurance company's ability to pay its obligations under an insurance policy. The following table presents the ratings of our significant insurance subsidiaries as of the date of this filing.

	A.M. Best	S&P	Fitch	Moody's
National Union Fire Insurance Company of Pittsburgh, Pa.	A	A+	A+	A2
Lexington Insurance Company	A	A+	A+	A2
American Home Assurance Company	A	A+	A+	A2
AIG Europe S.A.	NR	A+	NR	A2
American International Group UK Ltd.	A	A+	NR	A2
AIG General Insurance Co. Ltd.	NR	A+	NR	NR

These financial strength ratings are current opinions of the rating agencies. They may be changed, suspended or withdrawn at any time by the rating agencies as a result of changes in, or unavailability of, information or based on other circumstances.

For information regarding the effects of downgrades in our credit ratings and financial strength ratings, see Part I, Item 1A. Risk Factors – Liquidity, Capital and Credit – "A downgrade by one or more of the rating agencies in the Insurer Financial Strength ratings of our insurance companies could limit their ability to write or prevent them from writing new business and impair their retention of customers and in-force business, and a downgrade in our credit ratings could adversely affect our business, results of operations, financial condition and liquidity" in the 2024 Annual Report and Note 11 to the Condensed Consolidated Financial Statements.

REGULATION AND SUPERVISION

For a discussion of our regulation and supervision by different regulatory authorities in the United States and abroad, including with respect to our liquidity and capital resources, see Part I, Item 1. Business – Regulation and Part I, Item 1A. Risk Factors – Regulation in the 2024 Annual Report and Executive Summary – Regulatory, Industry and Economic Factors – Regulatory Environment in this MD&A.

DIVIDENDS

On May 1, 2025, our Board of Directors (the Board) declared a cash dividend on AIG Common Stock of $0.45 per share, a 12.5 percent increase from prior quarterly dividends on AIG Common Stock, payable on June 27, 2025 to shareholders of record on June 13, 2025.

The payment of any future dividends will be at the discretion of our Board of Directors and will depend on various factors. *For further detail on our dividends, see Note 14 to the Condensed Consolidated Financial Statements.*

REPURCHASES OF AIG COMMON STOCK

The Board has authorized the repurchase of shares of AIG Common Stock through a series of actions. Effective April 1, 2025, the Board of Directors authorized the repurchase of $7.5 billion of AIG Common Stock (inclusive of the approximately $3.4 billion remaining under the Board's prior share repurchase authorization). During the three months ended March 31, 2025, AIG Parent repurchased approximately 29 million shares of AIG Common Stock for an aggregate purchase price of $2.2 billion. Pursuant to an Exchange Act Rule 10b5-1 repurchase plan, from April 1, 2025 to April 25, 2025, AIG Parent repurchased approximately 5 million shares of AIG Common Stock for an aggregate purchase price of approximately $374 million. As of April 25, 2025, $7.1 billion remained under the Board's authorization.

The timing of any future share repurchases will depend on market conditions, our business and strategic plans, financial condition, results of operations, liquidity and other factors, as discussed further in Note 14 to the Condensed Consolidated Financial Statements.

Enterprise Risk Management

OVERVIEW

Risk management is an integral part of our business strategy and a key element of our approach to corporate governance. We have an integrated process for managing risks throughout our organization in accordance with our firm-wide risk appetite. Our Board of Directors has oversight responsibility for the management of risk. Our ERM Department oversees and integrates the risk management functions in our business entities and embeds risk management in our day-to-day business processes, providing senior management with a consolidated view of AIG's major risk positions. Nevertheless, our risk management efforts may not always be successful and material adverse effects on our business, results of operations, cash flows, liquidity or financial condition may occur. *For further information regarding the risks associated with our business and operations, see Part I, Item 1A. Risk Factors in the 2024 Annual Report.*

AIG employs a Three Lines model. AIG's business leaders assume full accountability for the risks and controls in their segments, and ERM performs a review, challenge and oversight function. The third line consists of our Internal Audit Group that provides independent assurance to AIG's Board of Directors.

For additional information on AIG's risk management program, see Part II, Item 7. MD&A — Enterprise Risk Management in the 2024 Annual Report.

The scope and magnitude of our market risk exposures is managed under a robust framework that contains defined risk limits and minimum standards for managing market risk in a manner consistent with our risk appetite statement. As of March 31, 2025, there have been no material changes in our market risk exposures, which may be found in Part II, Item 7. MD&A — Enterprise Risk Management in the 2024 Annual Report. *See Part I, Item 1A. Risk Factors in the 2024 Annual Report on how difficult conditions in the financial markets and the economy generally may materially adversely affect our business and results of our operations.*

Glossary

Accident year The annual calendar accounting period in which loss events occurred, regardless of when the losses are actually reported, booked or paid.

Accident year combined ratio, as adjusted (Accident year combined ratio, ex-CAT) The combined ratio excluding catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments, and the impact of reserve discounting.

Accident year loss ratio, as adjusted (Accident year loss ratio, ex-CAT) The loss ratio excluding catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments, and the impact of reserve discounting.

Acquisition ratio Acquisition costs divided by net premiums earned. Acquisition costs are those costs incurred to acquire new and renewal insurance contracts and also include the amortization of VOBA and DAC. Acquisition costs vary with sales and include, but are not limited to, commissions, premium taxes, direct marketing costs and certain costs of personnel engaged in sales support activities such as underwriting.

Attritional losses are losses recorded in the current accident year, which are not catastrophe losses.

Book value per share, excluding Investments AOCI, deferred tax assets (DTA) and AIG's ownership interest in Corebridge (Core operating book value per share) is used to show the amount of our net worth on a per share basis after eliminating Investments AOCI, DTA and AIG's ownership interest in Corebridge. We believe this measure is useful to investors because it eliminates the fair value of investments that can fluctuate significantly from period to period due to changes in market conditions. We also exclude the portion of DTA representing U.S. tax attributes related to net operating loss carryforwards (NOLs), corporate alternative minimum tax credits (CAMTCs) and foreign tax credits (FTCs) that have not yet been utilized. Amounts for interim periods are estimates based on projections of full-year attribute utilization. As NOLs, CAMTCs and FTCs are utilized, the corresponding portion of the DTA utilized is included. We exclude AIG's ownership interest in Corebridge since it is not a core long-term investment for AIG. Core operating book value per share is derived by dividing total AIG common shareholders' equity, excluding Investments AOCI, DTA and AIG's ownership interest in Corebridge (AIG core operating shareholders' equity) by total common shares outstanding.

Book value per share, excluding investments related cumulative unrealized gains and losses recorded in Accumulated other comprehensive income (loss) (AOCI) adjusted for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets (collectively, Investments AOCI) (Adjusted book value per share) is used to show the amount of our net worth on a per share basis after eliminating the fair value of investments that can fluctuate significantly from period to period due to changes in market conditions. In addition, we adjust for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets held by AIG in support of Fortitude Re's reinsurance obligations to AIG (Fortitude Re funds withheld assets) since these fair value movements are economically transferred to Fortitude Re. Adjusted book value per share is derived by dividing total AIG common shareholders' equity, excluding Investments AOCI (AIG adjusted common shareholders' equity) by total common shares outstanding.

Casualty insurance Insurance that is primarily associated with the losses caused by injuries to third persons, i.e., not the insured, and the legal liability imposed on the insured as a result.

Combined ratio Sum of the loss ratio and the acquisition and general operating expense ratios.

Credit Support Annex A legal document generally associated with an ISDA Master Agreement that provides for collateral postings which could vary depending on ratings and threshold levels.

DAC *Deferred Policy Acquisition Costs* Deferred costs that are incremental and directly related to the successful acquisition of new business or renewal of existing business.

Deferred gain on retroactive reinsurance Retroactive reinsurance is a reinsurance contract in which an assuming entity agrees to reimburse a ceding entity for liabilities incurred as a result of past insurable events. If the amount of premium paid by the ceding reinsurer is less than the related ceded loss reserves, the resulting gain is deferred and amortized over the settlement period of the reserves. Any related development on the ceded loss reserves recoverable under the contract would increase the deferred gain if unfavorable, or decrease the deferred gain if favorable.

Expense ratio Sum of acquisition expenses and general operating expenses, divided by net premiums earned.

General operating expense ratio General operating expenses divided by net premiums earned. General operating expenses are those costs that are generally attributed to the support infrastructure of the organization and include but are not limited to personnel costs, projects and bad debt expenses. General operating expenses exclude losses and loss adjustment expenses incurred, acquisition expenses, and investment expenses.

IBNR *Incurred But Not Reported* Estimates of claims that have been incurred but not reported to us.

ISDA Master Agreement An agreement between two counterparties, which may have multiple derivative transactions with each other governed by such agreement, that generally provides for the net settlement of all or a specified group of these derivative transactions, as well as pledged collateral, through a single payment, in a single currency, in the event of a default on, or affecting any, one derivative transaction or a termination event affecting all, or a specified group of, derivative transactions.

Loan-to-value ratio Principal amount of loan amount divided by appraised value of collateral securing the loan.

Loss Adjustment Expenses The expenses directly attributed to settling and paying claims of insureds and include, but are not limited to, legal fees, adjuster's fees and the portion of general expenses allocated to claim settlement costs.

Loss ratio Losses and loss adjustment expenses incurred divided by net premiums earned.

Loss reserve development The increase or decrease in incurred losses and loss adjustment expenses related to prior years as a result of the re-estimation of loss reserves at successive valuation dates for a given group of claims.

Loss reserves Liability for unpaid losses and loss adjustment expenses. The estimated ultimate cost of settling claims relating to insured events that have occurred on or before the balance sheet date, whether or not reported to the insurer at that date.

Master netting agreement An agreement between two counterparties who have multiple derivative contracts with each other that provides for the net settlement of all contracts covered by such agreement, as well as pledged collateral, through a single payment, in a single currency, in the event of default on or upon termination of any one such contract.

Natural catastrophe losses are generally weather or seismic events having a net impact on AIG in excess of $10 million each and man-made catastrophe losses, such as terrorism and civil disorders that exceed the $10 million threshold.

Net premiums written represent the sales of an insurer, adjusted for reinsurance premiums assumed and ceded, during a given period. Net premiums earned are the revenue of an insurer for covering risk during a given period. Net premiums written are a measure of performance for a sales period, while net premiums earned are a measure of performance for a coverage period.

Noncontrolling interests The portion of equity ownership in a consolidated subsidiary not attributable to the controlling parent company.

Pool A reinsurance arrangement whereby all of the underwriting results of the pool members are combined and then shared by each member in accordance with its pool participation percentage.

Prior year development *See Loss reserve development*.

RBC *Risk-Based Capital* A formula designed to measure the adequacy of an insurer's statutory surplus compared to the risks inherent in its business.

Reinstatement premiums Premiums on an insurance policy over and above the initial premium imposed at the beginning of the policy payable to reinsurers or receivable from insurers to restore coverage limits that have been reduced or exhausted as a result of reinsured losses under certain excess of loss reinsurance contracts.

Reinsurance The practice whereby one insurer, the reinsurer, in consideration of a premium paid to that insurer, agrees to indemnify another insurer, the ceding company, for part or all of the liability of the ceding company under one or more policies or contracts of insurance which it has issued.

Reinsurance recoverables are comprised of paid losses recoverable, ceded loss reserves, ceded reserves for unearned premiums.

Retroactive reinsurance *See Deferred gain on retroactive reinsurance*.

Return on equity – Adjusted after-tax income excluding Investments AOCI (Adjusted return on equity) is used to show the rate of return on common shareholders' equity excluding Investments AOCI. We believe this measure is useful to investors because it eliminates the fair value of investments which can fluctuate significantly from period to period due to changes in market conditions. Adjusted return on equity is derived by dividing actual or, for interim periods, annualized adjusted after-tax income attributable to AIG common shareholders by average AIG adjusted common shareholders' equity.

Return on equity – Adjusted after-tax income excluding Investments AOCI, DTA and AIG's ownership interest in Corebridge (Core operating return on equity) is used to show the rate of return on common shareholders' equity excluding Investments AOCI, DTA and AIG's ownership interest in Corebridge. We believe this measure is useful to investors because it eliminates the fair value of investments that can fluctuate significantly from period to period due to changes in market conditions. We also exclude the portion of DTA representing U.S. tax attributes related to NOLs, CAMTCs and FTCs that have not yet been utilized. Amounts for interim periods are estimates based on projections of full-year attribute utilization. As NOLs, CAMTCs and FTCs are utilized, the corresponding portion of the DTA utilized is included. We exclude AIG's ownership interest in Corebridge since it is not a core long-term investment for AIG. We believe this metric will provide investors with greater insight as to the underlying profitability of our property and casualty business. Core operating return on equity is derived by dividing actual or, for interim periods, annualized adjusted after-tax income attributable to AIG common shareholders by average AIG core operating shareholders' equity.

Subrogation The amount of recovery for claims we have paid our policyholders, generally from a negligent third party or such party's insurer.

Unearned premium reserve Liabilities established by insurers and reinsurers to reflect unearned premiums, which are usually refundable to policyholders if an insurance or reinsurance contract is canceled prior to expiration of the contract term.

VOBA *Value of Business Acquired* Present value of future pre-tax profits from in-force policies of acquired businesses discounted at yields applicable at the time of purchase. VOBA is reported in DAC in the Condensed Consolidated Balance Sheets.

Acronyms

A&H	Accident and Health Insurance	**ISDA**	International Swaps and Derivatives Association, Inc.
ABS	Asset-Backed Securities	**Moody's**	Moody's Investors' Service Inc.
APTI	Adjusted pre-tax income	**NAIC**	National Association of Insurance Commissioners
CDS	Credit Default Swap	**NM**	Not Meaningful
CLO	Collateralized Loan Obligations	**ORR**	Obligor Risk Ratings
CMBS	Commercial Mortgage-Backed Securities	**RMBS**	Residential Mortgage-Backed Securities
ERM	Enterprise Risk Management	**S&P**	Standard & Poor's Financial Services LLC
FASB	Financial Accounting Standards Board	**SEC**	Securities and Exchange Commission
GAAP	Accounting Principles Generally Accepted in the United States of America	**VIE**	Variable Interest Entity

ITEM 3 | Quantitative and Qualitative Disclosures About Market Risk

The information required by this item is set forth in the Enterprise Risk Management section of Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and is incorporated herein by reference.

ITEM 4 | Controls and Procedures

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Securities Exchange Act of 1934, as amended (the Exchange Act), is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures. In connection with the preparation of this Quarterly Report on Form 10-Q, an evaluation was carried out by American International Group, Inc. (AIG) management, with the participation of AIG's Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of March 31, 2025. Based on this evaluation, AIG's Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2025.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f)) that have occurred during the quarter ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II – Other Information

ITEM 1 | Legal Proceedings

For a discussion of legal proceedings, see Note 13 to the Condensed Consolidated Financial Statements, which is incorporated herein by reference.

ITEM 1A | Risk Factors

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risk factors discussed in Part I, Item 1A. Risk Factors in the 2024 Annual Report.

ITEM 2 | Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides information about purchases made by or on behalf of AIG or any "affiliated purchaser" (as defined in Rule 10b-18(a)(3) under the Securities Exchange Act of 1934 (the Exchange Act)) of AIG Common Stock during the three months ended March 31, 2025:

Period	Total Number of Shares Repurchased	Average Price Paid per Share*	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in millions)
January 1-31	10,787,478	$ 73.46	10,787,478	$ 4,846
February 1-28	10,752,132	76.40	10,752,132	4,025
March 1-31	7,456,047	82.78	7,456,047	3,408
Total	**28,995,657**	**$ 76.95**	**28,995,657**	**$ 3,408**

* Excludes excise tax of $20 million due to the Inflation Reduction Act of 2022 for the three months ended March 31, 2025.

During the three months ended March 31, 2025, American International Group, Inc. repurchased approximately 29 million shares of AIG Common Stock, par value $2.50 per share (AIG Common Stock) for an aggregate purchase price of $2.2 billion. From April 1, 2025 to April 25, 2025, we repurchased approximately 5 million shares of AIG Common Stock for an aggregate purchase price of approximately $374 million. Effective April 1, 2025, the Board of Directors authorized the repurchase of $7.5 billion of AIG Common Stock (inclusive of the approximately $3.4 billion remaining under the Board's prior share repurchase authorization).

Shares may be repurchased from time to time in the open market, private purchases, through forward, derivative, accelerated repurchase or automatic repurchase transactions or otherwise. Certain of our share repurchases have been and may from time to time be effected through Exchange Act Rule 10b5-1 repurchase plans. The timing of any future share repurchases will depend on market conditions, our business and strategic plans, financial condition, results of operations, liquidity and other factors.

ITEM 5 | Other Information

Our officers and directors (as defined in Rule 16a-1 under the Exchange Act) may, with our Board of Directors' approval, enter into plans for the purchase or sale of our Common Stock that are intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act. Other than as described below, during the three months ended March 31, 2025, none of the Company's directors or officers adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

- Rose Marie Glazer, our Executive Vice President, General Counsel, entered into a new trading plan on February 14, 2025. The plan's maximum duration is until December 31, 2025, and the first trade may not occur prior to May 16, 2025. The trading plan is intended to permit Ms. Glazer to exercise up to 34,954 stock options and immediately sell the acquired shares.

The Rule 10b5-1 trading arrangement described above was adopted and precleared in accordance with AIG's Insider Trading Policy and actual sale transactions made pursuant to such trading arrangements will be disclosed publicly in future Section 16 filings with the SEC.

ITEM 6 | Exhibits

Exhibit Index

Exhibit Number	Description	Location
22	Guaranteed Securities	None.
31	Rule 13a-14(a)/15d-14(a) Certifications	Filed herewith.
32	Section 1350 Certifications*	Filed herewith.
101	Interactive data files pursuant to Rule 405 of Regulation S-T formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) the Condensed Consolidated Balance Sheets as of March 31, 2025 and December 31, 2024, (ii) the Condensed Consolidated Statements of Income (Loss) for the three months ended March 31, 2025 and 2024, (iii) the Condensed Consolidated Statements of Equity for the three months ended March 31, 2025 and 2024, (iv) the Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2025 and 2024, (v) the Condensed Consolidated Statements of Comprehensive Income (Loss) for the three months ended March 31, 2025 and 2024 and (vi) the Notes to the Condensed Consolidated Financial Statements	Filed herewith.
104	Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101)	Filed herewith.

* This information is furnished and not filed for purposes of Sections 11 and 12 of the Securities Act of 1933 and Section 18 of the Securities Exchange Act of 1934.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AMERICAN INTERNATIONAL GROUP, INC.

(Registrant)

/S/ KEITH WALSH

Keith Walsh
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

/S/ KATHLEEN CARBONE

Kathleen Carbone
Vice President and
Chief Accounting Officer
(Principal Accounting Officer)

Dated: May 2, 2025

Exhibit 31

CERTIFICATIONS

I, Peter Zaffino, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of American International Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2025

/S/ PETER ZAFFINO

Peter Zaffino

Chairman and Chief Executive Officer

CERTIFICATIONS

I, Keith Walsh, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of American International Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2025

/S/ KEITH WALSH

Keith Walsh

Executive Vice President and

Chief Financial Officer

Exhibit 32

CERTIFICATION

In connection with this Quarterly Report on Form 10-Q of American International Group, Inc. (the “Company”) for the quarter ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Peter Zaffino, Chairman and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 2, 2025

/S/ PETER ZAFFINO

Peter Zaffino
Chairman and Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

CERTIFICATION

In connection with this Quarterly Report on Form 10-Q of American International Group, Inc. (the “Company”) for the quarter ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Keith Walsh, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 2, 2025

/S/ KEITH WALSH

Keith Walsh
Executive Vice President and
Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.