

RESOLVED: Shareholders request that the Board of Directors conduct an evaluation and issue a report within the next year (at reasonable cost, omitting proprietary information) describing if, and how, American International Group's (AIG) lobbying activities (direct and indirect) align with the Paris Climate Agreement's aspirational goal of limiting average global warming to 1.5 degrees Celsius and how the company plans to mitigate risks presented by any misalignment.

SUPPORTING STATEMENT

The United Nations Environment Programme reports that critical gaps remain between government commitments and the actions required to prevent the worst effects of climate change.¹ Companies have an important and constructive role to play in enabling policymakers to close these gaps.

Corporate lobbying activities that are misaligned with the goals of the Paris Agreement present regulatory, reputational, legal and financial risks to investors. Delays in implementation of the Paris Agreement increase the physical risks of climate change – evidenced in 2021 with wildfires, drought and damaging storms that caused billions of dollars in damage in the United States alone.² Misaligned lobbying efforts exacerbate systemic risks to our economies and introduce uncertainty and volatility into our portfolios. We believe that Paris-aligned climate lobbying helps to mitigate these risks and contributes positively to the long-term value of our investment portfolios.

We view fulfillment of the Paris Agreement's goal—to hold the increase in the global average temperature to “well below” 2°C above preindustrial levels, and to pursue efforts to limit the temperature increase to 1.5°C—as a policy imperative. We are concerned by the trade associations and other politically active organizations that speak for business but, unfortunately, too often present forceful obstacles to progress in addressing the climate crisis.

Investors have been asking AIG to report on how our company works to ensure that its lobbying activities, directly, in the company's name, and indirectly, through trade and other associations, align with the Paris Agreement's goals, and whether AIG takes any action to address any misalignments it has found. Although we have had several meetings with the company to voice our concerns, AIG has done little to report on its climate lobbying activities.

Investor focus on misalignments between companies' climate change policies or commitments and their public policy advocacy has intensified recently,³ as has concern regarding broader corporate actions to stall short- and medium-term progress on the Paris Agreement's objectives.

For these reasons, we urge the Board and management to assess the company's climate-related lobbying and report to shareholders.

¹ <https://www.unep.org/resources/emissions-gap-report-2021>

² <https://www.washingtonpost.com/weather/2021/10/11/billion-dollar-disasters-2021-climate/>

³ <https://www.politico.com/news/2021/04/20/investors-corporate-climate-lobbying-activity-483429>