

4. METRICS AND TARGETS

AIG uses select metrics to assess and manage our climate-related risks and opportunities in line with our strategy and risk management process.

We have responded publicly to the CDP (formerly Carbon Disclosure Project) Climate Change questionnaire since 2010. Due to the complexity of aggregating the data for our global operations, we have historically reported the data for which we have the most visibility and verification, specifically Scope 1 and 2 emissions for our New York City and UK operations.

As an insurance company that does not manufacture or sell tangible products, most indirect upstream and downstream (Scope 3) emissions that occur in AIG's value chain are not applicable. Business travel is relevant to our operations, but not currently disclosed.

Greenhouse Gas Emissions

AIG's emissions disclosures to date are limited to Scope 1 and 2 emissions associated with UK and New York City operations. We calculate our GHG emissions in line with the GHG Protocol methodology.

	2016	2017	2018
Scope 1 emissions (metric tons CO ₂ e)	582	265	TBD
Scope 1 emissions (metric tons CO ₂ e)	12,135	9,781	TBD
Total	12,717	10,046	TBD

Our 2018 emissions reflect a 9 percent year-over-year reduction from the prior reporting period. The decreases for the reported geographies were driven by energy efficiency initiatives and consolidation/reductions of office footprints through consolidation, densification, and work-from-home strategies.

Emission Reduction Targets

AIG has two regional targets set for reducing operational emissions in the UK and New York City.

- AIG is a supporter of the UK Carbon Reduction Commitment in the UK and has committed to reducing the Scope 1 and Scope 2 carbon emissions associated with its UK business operations by 20 percent below the 2010 baseline level by 2020. As of 1/1/2019, AIG's UK operations have exceeded the target commitment, reducing overall Scope 1 and Scope 2 emissions by 40 percent, 200 percent of the original target.
- As an original participant in the 2013 NYC Carbon Challenge, AIG committed to reduce the carbon emissions associated with its NYC operations by 30 percent from

2011 levels within 10 years, or by 2023. As of the end of 2018 we are on track to meeting that goal, having achieved 77 percent of the total reductions needed. In 2019, AIG renewed its participation and commitment to the NYC Carbon Challenge, committing to further reduce emissions by 40 percent below 2011 levels by 2030.

For both of these regional targets, AIG has reduced emissions through a combination of energy-efficient operational controls and investments in energy efficient infrastructure.