Global Atlantic Limited (Delaware)

(an indirect subsidiary of The Global Atlantic Financial Group LLC)

Consolidated financial statements

As of March 31, 2025, and December 31, 2024

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Global Atlantic Limited (Delaware) and subsidiaries

Consolidated balance sheets

($ in millions, except share data)		March 31, 2025		December 31, 2024
Assets				
Investments:				
Fixed maturity securities, available-for-sale, at fair value (amortized cost: $91,530 and $90,621, respectively; variable interest entities: $9,275 and $8,916, respectively; net of allowances: $265 and $275, respectively; and related party: $5,733 and $5,185, respectively.)	$	83,776	$	81,083
Fixed maturity securities, trading, at fair value (amortized cost: $25,313 and $24,697, respectively; variable interest entities: $202 and $98, respectively; and related party: $1,299 and $939, respectively.)		23,120		22,239
Mortgage and other loan receivables (portion at fair value: $3,128 and $1,611, respectively; variable interest entities: $5,078 and $5,024, respectively; net of allowances: $619 and $614, respectively; and related party: $51 and $11, respectively.)		53,078		52,763
Funds withheld receivable at interest (portion at fair value: $102 and $126, respectively.)		2,475		2,538
Real assets (portion at fair value: $8,492 and $8,156, respectively, net of accumulated depreciation: $660 and $623, respectively; variable interest entities: $13,489 and $13,499, respectively; and related party: $330 and $332, respectively.)		14,670		14,411
Other investments (portion at fair value: $2,582 and $584, respectively; variable interest entities: $83 and $65, respectively; and related party: $1,270 and $631, respectively.)		5,082		3,097
Total investments		**182,201**		**176,131**
Cash and cash equivalents (variable interest entities: $1,091 and $853, respectively.)		6,483		6,340
Restricted cash and cash equivalents		227		351
Accrued investment income (variable interest entities: $224 and $238, respectively.)		1,504		1,572
Reinsurance recoverable (portion at fair value: $953 and $941, respectively; net of allowances: $17 and $16, respectively.)		45,322		45,271
Insurance intangibles		5,304		5,199
Other assets (variable interest entities: $632 and $526, respectively; market risk benefit assets: $– and $2, respectively.)		4,858		4,871
Separate account assets		3,739		3,981
Total assets	**$**	**249,638**	**$**	**243,716**
Liabilities				
Policy liabilities (portion at fair value: $1,499 and $1,280, respectively; market risk benefit liabilities: $1,206 and $1,002, respectively.)	$	188,414	$	185,205
Debt (variable interest entities: $80 and $70, respectively.)		3,772		3,713
Funds withheld payable at interest (portion at fair value: $(2,374) and $(2,797), respectively.)		44,255		43,962
Other liabilities (portion at fair value: $338 and $389, respectively; variable interest entities: $405 and $496, respectively; and related party: $160 and $180, respectively.)		3,376		2,362
Reinsurance liabilities		1,400		1,160
Separate account liabilities		3,739		3,981
Total liabilities	**$**	**244,956**	**$**	**240,383**

Global Atlantic Limited (Delaware) and subsidiaries

Consolidated balance sheets

($ in millions, except share data)	March 31, 2025	December 31, 2024
Commitments and contingencies (Note 15)		
Equity		
Common stock, $0.01 par value, 1,000 shares authorized, 304 shares issued and outstanding, respectively.	$ —	$ —
Additional paid-in capital	9,289	8,309
Retained earnings	490	1,514
Accumulated other comprehensive loss	(5,520)	(6,828)
Total shareholder's equity	**4,259**	**2,995**
Non-controlling interests	423	338
Total equity	**4,682**	**3,333**
Total liabilities, redeemable non-controlling interests, and equity	**$ 249,638**	**$ 243,716**

See accompanying notes to consolidated financial statements.

Global Atlantic Limited (Delaware) and subsidiaries

Consolidated statements of income (unaudited)

	Three months ended March 31, 2025	Three months ended March 31, 2024
($ in millions)		
Revenues		
Premiums	$ 323	$ 6,037
Policy fees	338	329
Net investment income (related party investment income: $110 and $70, respectively; related party investment expense: $163 and $113, respectively.)	1,686	1,439
Net investment-related losses (related party: $(9) and $13, respectively.)	(1,443)	(231)
Other income	56	56
Total revenues	**960**	**7,630**
Benefits and expenses		
Policy benefits and claims (market risk benefit loss (gain): $221 and $(102), respectively; remeasurement (gain) loss on policy liabilities: $42 and $–, respectively.)	1,708	7,261
Amortization of policy acquisition costs	98	(4)
Interest expense	70	55
Insurance expenses	105	200
General, administrative and other expenses (related party: $3 and $2, respectively.)	184	186
Total benefits and expenses	**2,165**	**7,698**
Loss before income taxes	**(1,205)**	**(68)**
Income tax benefit	(224)	(12)
Net loss	**(981)**	**(56)**
Less: net income attributable to non-controlling interests and redeemable non-controlling interests	43	3
Net loss attributable to Global Atlantic Limited (Delaware) shareholder	**$ (1,024)**	**$ (59)**

See accompanying notes to consolidated financial statements.

Global Atlantic Limited (Delaware) and subsidiaries

Consolidated statements of comprehensive (loss) income (unaudited)

	Three months ended March 31, 2025	Three months ended March 31, 2024
($ in millions)		
Net (loss) income	**$ (981)**	**$ (56)**
Other comprehensive (loss) income, before taxes:		
Unrealized gains (losses) on other investments for the period	608	(164)
Reclassification adjustment for losses on hedging instruments reclassified to other instruments	—	—
Less: reclassification adjustment for (losses) gains included in net income	(1,166)	1
Unrealized gains (losses) on other investments	**1,774**	**(165)**
Unrealized gains (losses) gains on hedging instruments	82	(36)
Less: reclassification adjustment for gains on hedging instruments reclassified to other instruments	—	—
Unrealized gains (losses) on hedging instruments	**82**	**(36)**
Net effect of unrealized losses on policy liabilities	(66)	(7)
Effect of changes in the fair value of a market risk benefit attributable to a change in the instrument-specific credit risk	16	(5)
Effect of changes in the discount rates used to measure traditional and limited-payment long duration insurance contracts	(184)	170
Net effect on policy liabilities	**(234)**	**158**
Foreign currency translation adjustment	6	—
Other comprehensive (loss) income, before taxes	**1,628**	**(43)**
Income tax (expense) benefit related to:		
Net unrealized gains (losses) on other investments	(358)	38
Net unrealized gains (losses) on hedging instruments	(17)	8
Net effect of unrealized (losses) gains on policy balances	49	(33)
Net unrealized losses on foreign currency translation adjustment	(1)	—
Income tax (expense) benefit related to other comprehensive (loss) income	**(327)**	**13**
Other comprehensive (loss) income before non-controlling interests and redeemable non-controlling interests, net of tax	**1,301**	**(30)**
Comprehensive (loss) income	**320**	**(86)**
Less: total comprehensive income attributable to non-controlling interests and redeemable non-controlling interests:		
Net income	43	3
Other comprehensive loss	(7)	—
Total comprehensive income attributable to non-controlling interests and redeemable non-controlling interests	**36**	**3**
Comprehensive (loss) income attributable to Global Atlantic Limited (Delaware) shareholder	**$ 284**	**$ (89)**

See accompanying notes to consolidated financial statements.

Consolidated statements of redeemable non-controlling interest and equity (unaudited)

($ in millions)	Redeemable non-controlling interests	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total shareholder's equity	Non-controlling interest	Total equity
Balance as of December 31, 2023	**$ 48**	**$ —**	**$ 5,922**	**$ 2,085**	**$ (6,875)**	**$ 1,132**	**$ 90**	**$ 1,222**
Net (loss) income	6	—	—	(59)	—	(59)	(3)	(62)
Other comprehensive income	—	—	—	—	(30)	(30)	—	(30)
Equity-based compensation	—	—	277	—	—	277	—	277
Capital contributions	—	—	548	—	—	548	—	548
Capital contributions from non-controlling interests and redeemable non-controlling interests	—	—	—	—	—	—	75	75
Non-cash contributions from non-controlling interests and redeemable non-controlling interests	—	—	—	—	—	—	17	17
Distributions to non-controlling interests and redeemable non-controlling interests	(7)	—	—	—	—	—	(68)	(68)
Non-cash distributions from non-controlling interests and redeemable non-controlling interests	—	—	—	—	—	—	(13)	(13)
Balance as of March 31, 2024	**$ 47**	**$ —**	**$ 6,747**	**$ 2,026**	**$ (6,905)**	**$ 1,868**	**$ 98**	**$ 1,966**

Consolidated statements of redeemable non-controlling interest and equity (unaudited)

($ in millions)	Redeemable non-controlling interests	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total shareholder's equity	Non-controlling interest	Total equity
Balance as of December 31, 2024	**$ —**	**$ —**	**$ 8,309**	**$ 1,514**	**$ (6,828)**	**$ 2,995**	**$ 338**	**$ 3,333**
Net loss	—	—	—	(1,024)	—	(1,024)	43	(981)
Other comprehensive income	—	—	—	—	1,308	1,308	(7)	1,301
Equity-based compensation	—	—	20	—	—	20	—	20
Capital contributions	—	—	960	—	—	960	—	960
Capital contributions from non-controlling interests and redeemable non-controlling interests	—	—	—	—	—	—	59	59
Distributions to non-controlling interests and redeemable non-controlling interests	—	—	—	—	—	—	(6)	(6)
Non-cash distributions from non-controlling interests and redeemable non-controlling interests	—	—	—	—	—	—	(4)	(4)
Balance as of March 31, 2025	**$ —**	**$ —**	**$ 9,289**	**$ 490**	**$ (5,520)**	**$ 4,259**	**$ 423**	**$ 4,682**

See accompanying notes to consolidated financial statements.

Global Atlantic Limited (Delaware) and subsidiaries

Consolidated statements of cash flows (unaudited)

	Three months ended			
	March 31, 2025		March 31, 2024	
($ in millions)				
Cash flows from operating activities				
Net (loss) income	**$**	**(981)**	**$**	**(56)**
Adjustments to reconcile net income to net cash provided by operating activities:				
Net investment and policy liability related gains (losses)		1,668		599
Net accretion and amortization (related party: $2 and $2, respectively.)		178		51
Interest credited to policy account balances less policy fees		1,157		926
Deferred income tax (benefit) expense		(225)		(62)
Changes in operating assets and liabilities:				
Reinsurance transactions and acquisitions, net of cash provided		87		153
Change in premiums, notes receivable, and reinsurance recoverable, net of reinsurance premiums payable		366		583
Change in deferred policy acquisition costs		(239)		(179)
Change in policy liabilities and accruals, net		(260)		(90)
Other operating activities, net (related party: $(2) and $–, respectively)		343		(28)
Net cash provided by operating activities	**$**	**2,094**	**$**	**1,897**
Cash flows from investing activities				
Proceeds from disposals of available-for-sale fixed maturity securities (related party: $14 and $48, respectively.)	$	11,828	$	1,964
Proceeds from maturities of available-for-sale fixed maturity securities (related party: $961 and $746, respectively.)		2,894		3,108
Proceeds from disposals and maturities of trading fixed maturity securities (related party: $13 and $28, respectively.)		3,142		2,287
Proceeds from disposals of equity securities		1,836		—
Proceeds from mortgage and other loan receivables sold, matured, or collected		2,464		379
Proceeds from disposals of other investments		606		612
Purchase of available-for-sale fixed maturity securities (related party: $(1,460) and $(2,166), respectively.)		(16,318)		(8,261)
Purchase of trading fixed maturity securities (related party: $(52) and $(48), respectively.)		(3,311)		(3,799)
Purchase of equity securities		(3,176)		—
Purchase of mortgage and other loan receivables (related party: $(39) and $–, respectively.)		(2,745)		(2,990)
Purchase of other investments (related party: $(2) and $(948), respectively)		(899)		(1,794)
Other investing activities, net		(5)		9
Net cash used in investing activities	**$**	**(3,684)**	**$**	**(8,485)**

Global Atlantic Limited (Delaware) and subsidiaries

Consolidated statements of cash flows (unaudited)

	Three months ended	
	March 31, 2025	March 31, 2024
($ in millions)		
Cash flows from financing activities		
Settlement of repurchase agreements	$ (997)	$ (1,054)
Proceeds from issuance of repurchase agreements	1,042	542
Reinsurance transactions, net of cash provided	—	12
Additions to contractholder deposit funds	6,259	7,451
Withdrawals from contractholder deposit funds	(4,753)	(4,887)
Issuance of long-term debt	39	836
Payment of debt principal and origination fees	(30)	(300)
Capital contributions	—	550
Capital contributions from non-controlling interests and redeemable non-controlling interests	58	69
Distribution to non-controlling interests and redeemable non-controlling interests	(6)	(68)
Other financing activity, net	(4)	(11)
Net cash provided by financing activities	**$ 1,608**	**$ 3,140**
Effect of exchange rate changes on cash, cash equivalents and restricted cash	1	4
Net change in cash, cash equivalents and restricted cash	**19**	**(3,444)**
Cash, cash equivalents and restricted cash, beginning of period	6,691	12,298
Cash, cash equivalents and restricted cash, end of period	**$ 6,710**	**$ 8,854**
Supplemental cash flow information		
Cash and cash equivalents per consolidated balance sheets	$ 6,483	$ 8,525
Restricted cash and cash equivalents per consolidated balance sheets	227	329
Total cash, cash equivalents and restricted cash	**$ 6,710**	**$ 8,854**
Cash paid for interest	$ 29	$ 7
Income tax (receipts) payments	1	1
Non-cash transactions		
Available-for-sale fixed maturity securities acquired through reinsurance agreements	$ —	$ 2,499
Trading fixed maturity securities acquired through reinsurance agreements	—	7,497
Contractholder deposit funds acquired through reinsurance agreements	—	1,230
Available-for-sale fixed maturity securities contributed in-kind from parent	515	—
Trading fixed maturity securities contributed in-kind from parent	42	—
Other investments contributed in-kind from parent	641	—

See accompanying notes to consolidated financial statements.

1. Nature of business

Global Atlantic Limited (Delaware), a Delaware corporation, (together with its subsidiaries, “Global Atlantic,” the “Company,” we, our, or us) is a leading United States, or “U.S.,” retirement and life insurance company focused on delivering meaningful long-term value for our customers and shareholders.

The Company is a leading insurance company meeting the retirement and life insurance needs of individuals and institutions. The Company primarily offers individuals fixed-rate annuities, fixed-indexed annuities, and targeted life products through a network of banks, broker-dealers, and independent marketing organizations.

KKR initial acquisition of Global Atlantic Financial Group Limited

On February 1, 2021, KKR & Co. Inc., or together with its subsidiaries, “KKR,” completed the acquisition of the Company’s ultimate parent, Global Atlantic Financial Group Limited, or “GAFG,” by Magnolia Parent LLC (“Magnolia”), a KKR subsidiary, as contemplated by the Agreement and Plan of Merger, dated July 7, 2020 (as amended, the “2021 Merger Agreement”), by and among GAFG, Global Atlantic Financial Life Limited, or “GAFLL,” Magnolia, Magnolia Merger Sub Limited (“Merger Sub”), LAMC LP, and Goldman Sachs & Co. LLC, solely in its capacity as the equity representative, referred to here-in as the “2021 KKR Acquisition.” The total purchase price for the transaction was $4.7 billion. Upon the conclusion of the acquisition, Magnolia was renamed to The Global Atlantic Financial Group LLC (“TGAFG”).

KKR subsequent acquisition of remaining non-controlling interests in The Global Atlantic Financial Group

On January 2, 2024, KKR completed the merger previously announced on November 29, 2023, as contemplated by the Agreement and Plan Merger, (the “2023 Merger Agreement”) by and among KKR Magnolia Holdings LLC (“Magnolia Holdings”), an indirect subsidiary of KKR, Sweetbay Merger Sub LLC, a direct subsidiary of Magnolia Holdings (“Merger Sub”) and The Global Atlantic Financial Group (“TGAFG”), and together with its subsidiaries, (“Global Atlantic”), pursuant to which KKR acquired the remaining portion of Global Atlantic that KKR did not already own (the “2024 KKR Acquisition”). At the closing of the transaction (the “Closing”), Merger Sub merged with and into TGAFG, with TGAFG surviving the merger, resulting in Global Atlantic becoming a wholly owned subsidiary of KKR.

The total cash purchase price for the portion of Global Atlantic that KKR did not already own was approximately $2.6 billion, subject to certain post-Closing purchase price adjustments as provided in the 2023 Merger Agreement. Additionally, in connection with the closing, certain Global Atlantic employees who participated in Global Atlantic’s management equity incentive plan, rolled over a majority of their equity interests in Global Atlantic into KKR equity.

The outstanding debt of Global Atlantic will remain outstanding obligations of solely Global Atlantic entities and are not being assumed or guaranteed by KKR.

Following the merger, the Company was re-domesticated from Bermuda to Delaware, and changed its name to Global Atlantic Limited (Delaware).

2. Significant accounting policies

In addition to the new or revised accounting policies detailed below, for additional information on the Company's other significant accounting policies, see Note 2—"Basis of presentation and significant accounting policies and practices" in the Company's audited consolidated financial statements as of December 31, 2024.

Adoption of new accounting pronouncements

Scope application of profits interest and similar awards

In March 2024, the FASB issued ASU 2024-01, Compensation-Stock Compensation (Topic 718): Scope Application of Profits Interest and Similar Awards ("ASU 2024-01"). ASU 2024-01 amends the guidance in Accounting Standard Codification 718 ("ASC 718") by adding an illustrative example to demonstrate and clarify how to apply the scope guidance to determine whether profits interests and similar awards should be accounted for as a share-based payment arrangement under ASC 718 or another standard. The Company adopted this accounting standard effective for the reporting period ended March 31, 2025, and its adoption did not have a material impact on our consolidated financial statements.

Future application of accounting standards

Income tax disclosure improvements

In December 2023, the FASB issued ASU 2023-09 "Improvements to Income Tax Disclosures" ("ASU 2023-09"). ASU 2023-09 intends to enhance the transparency and decision usefulness of income tax disclosures, requiring disaggregated information about an entity's effective tax rate reconciliation as well as income taxes paid. The guidance is effective for the Company's annual period ending December 31, 2025. The Company is currently evaluating the impact of adopting this guidance on its consolidated financial statements and disclosures.

3. Investments

Fixed maturity securities

The cost or amortized cost and fair value for available-for-sale, or "AFS," fixed maturity securities were as follows:

As of March 31, 2025	Cost or amortized cost	Allowance for credit losses[4][5]	Gross unrealized gains	Gross unrealized losses	Fair value
($ in millions)					
AFS fixed maturity securities portfolio by type:					
U.S. government and agencies	$ 649	$ —	$ 1	$ (106)	$ 544
U.S. state, municipal, and political subdivisions	3,635	—	4	(808)	2,831
Corporate[1]	56,568	(76)	221	(6,314)	50,399
Residential mortgage-backed securities, or "RMBS"	12,260	(116)	85	(324)	11,905
Commercial mortgage-backed securities, or "CMBS"	8,572	(61)	29	(251)	8,289
Collateralized bond obligations, or "CBOs"	430	—	—	(13)	417
Collateralized loan obligations, or "CLOs"[2]	5,565	(5)	18	(23)	5,555
Asset-backed securities, or "ABSs"[3]	3,851	(7)	39	(47)	3,836
Total AFS fixed maturity securities	**$ 91,530**	**$ (265)**	**$ 397**	**$ (7,886)**	**$ 83,776**

(1) Includes related party KKR corporate fixed maturity securities with amortized cost, allowance for credit loss, gross unrealized gains, gross unrealized losses, and fair value of $5.3 billion, $0 million, $15 million, $(169) million, and $5.2 billion, respectively.

(2) Includes related party KKR collateralized loan obligations with amortized cost, allowance for credit loss, gross unrealized gains, gross unrealized losses, and fair value of $513 million, $0 million, $2 million, $(169) thousand, and $515 million, respectively.

(3) Includes related party KKR asset-backed securities with amortized cost, allowance for credit loss, gross unrealized gains, gross unrealized losses, and fair value of $46 million, $— million, $— million, $(1) million, and $44 million, respectively.

(4) Represents the cumulative amount of credit impairments that have been recognized in the consolidated statements of income (as net investment (losses) gains) or that were recognized as a gross-up of the purchase price of PCD securities. Amount excludes unrealized losses related to non-credit impairment.

(5) Includes credit loss allowances on purchase-credit deteriorated fixed maturity securities of $(6) million.

As of December 31, 2024		Cost or amortized cost		Allowance for credit losses[4][5]		Gross unrealized gains		Gross unrealized losses		Fair value
($ in millions)										
AFS fixed maturity securities portfolio by type:										
U.S. government and agencies	$	2,576	$	—	$	—	$	(185)	$	2,391
U.S. state, municipal, and political subdivisions		4,774		—		6		(1,010)		3,770
Corporate[1]		53,520		(99)		129		(7,141)		46,409
RMBS		10,965		(116)		54		(624)		10,279
CMBS		8,387		(44)		29		(382)		7,990
CBOs		2,487		(1)		—		(80)		2,406
CLOs[2]		4,457		(7)		27		(22)		4,455
ABSs[3]		3,455		(8)		23		(87)		3,383
Total AFS fixed maturity securities	**$**	**90,621**	**$**	**(275)**	**$**	**268**	**$**	**(9,531)**	**$**	**81,083**

(1) Includes related party KKR corporate AFS fixed maturity securities with amortized cost, allowance for credit loss, gross unrealized gains, gross unrealized losses, and fair value of $5.0 billion,— million, $13 million, $(201) million, and $4.8 billion, respectively.

(2) Includes related party KKR collateralized loan obligations with amortized cost, allowance for credit loss, gross unrealized gains, gross unrealized losses, and fair value of $355 million, $— million,$2 million, $(8) thousand, and $357 million, respectively.

(3) Includes related party KKR asset-backed securities with amortized cost, allowance for credit loss, gross unrealized gains, gross unrealized losses, and fair value of $46 million, $— million, $— million, $(2) million, and $44 million, respectively.

(4) Represents the cumulative amount of credit impairments that have been recognized in the consolidated statements of income (as net investment (losses) gains) or that were recognized as a gross-up of the purchase price of PCD securities. Amount excludes unrealized losses related to non-credit impairment.

(5) Includes credit loss allowances on purchase-credit deteriorated fixed maturity securities of $(9) million.

The maturity distribution for AFS fixed maturity securities is as follows:

As of March 31, 2025		Cost or amortized cost (net of allowance)		Fair value
($ in millions)				
Due in one year or less	$	1,568	$	1,563
Due after one year through five years		12,483		12,291
Due after five years through ten years		11,961		11,850
Due after ten years		34,764		28,070
Subtotal[1]		**60,776**		**53,774**
RMBS		12,144		11,905
CMBS		8,511		8,289
CBOs		430		417
CLOs[2]		5,560		5,555
ABSs[3]		3,844		3,836
Total AFS fixed maturity securities	**$**	**91,265**	**$**	**83,776**

(1) Includes related party KKR corporate fixed maturity securities with amortized cost and fair value of $5.3 billion and $5.2 billion, respectively.

(2) Includes related party KKR collateralized loan obligations with amortized cost and fair value of $513 million and $515 million, respectively.

(3) Includes related party KKR asset-backed securities with amortized cost and fair value of $46 million and $44 million, respectively.

Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties, or the Company may have the right to put or sell the obligations back to the issuers. Structured securities are shown separately as they have periodic payments and are not due at a single maturity.

Securities in a continuous unrealized loss position

The following tables provide information about the Company's AFS fixed maturity securities that have been continuously in an unrealized loss position:

	Less than 12 months		12 months or more		Total	
As of March 31, 2025	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**
($ in millions)						
AFS fixed maturity securities portfolio by type:						
U.S. government and agencies	$ 291	$ (39)	$ 149	$ (67)	$ 440	$ (106)
U.S. state, municipal, and political subdivisions	162	(7)	2,467	(801)	2,629	(808)
Corporate	11,694	(397)	18,247	(5,917)	29,941	(6,314)
RMBS	2,192	(34)	2,789	(290)	4,981	(324)
CMBS	1,820	(12)	2,911	(239)	4,731	(251)
CBOs	13	(1)	392	(12)	405	(13)
CLOs	890	(4)	259	(19)	1,149	(23)
ABSs	407	(3)	866	(44)	1,273	(47)
Total AFS fixed maturity securities in a continuous loss position	**$ 17,469**	**$ (497)**	**$ 28,080**	**$ (7,389)**	**$ 45,549**	**$ (7,886)**

	Less than 12 months		12 months or more		Total	
As of December 31, 2024	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**
($ in millions)						
AFS fixed maturity securities portfolio by type:						
U.S. government and agencies	$ 2,151	$ (110)	$ 204	$ (75)	$ 2,355	$ (185)
U.S. state, municipal, and political subdivisions	251	(5)	3,305	(1,005)	3,556	(1,010)
Corporate	13,655	(535)	20,203	(6,606)	33,858	(7,141)
RMBS	2,436	(62)	3,999	(562)	6,435	(624)
CMBS	1,006	(5)	3,738	(377)	4,744	(382)
CBOs	1	—	2,405	(80)	2,406	(80)
CLOs	316	(2)	293	(20)	609	(22)
ABSs	739	(6)	1,309	(81)	2,048	(87)
Total AFS fixed maturity securities in a continuous loss position	**$ 20,555**	**$ (725)**	**$ 35,456**	**$ (8,806)**	**$ 56,011**	**$ (9,531)**

Unrealized gains and losses can be created by changing interest rates or several other factors, including changing credit spreads. The Company had gross unrealized losses on below investment grade AFS fixed maturity securities of $333 million and $557 million as of March 31, 2025, and December 31, 2024, respectively. The single largest unrealized loss on AFS fixed maturity securities was $62 million and $74 million as of March 31, 2025, and December 31, 2024, respectively. The Company had 5,069 and 5,979 securities in an unrealized loss position as of March 31, 2025, and December 31, 2024, respectively.

As of March 31, 2025, AFS fixed maturity securities in an unrealized loss position for 12 months or more consisted of 3,135 fixed maturity securities. AFS fixed maturity securities in an unrealized loss position for 12 months or more with an allowance for credit losses had a fair value and gross unrealized losses of $1.9 billion and $182 million, respectively, as of March 31, 2025. These fixed maturity securities primarily relate to Corporate, RMBS, and U.S. state, municipal, and political subdivisions fixed maturity securities, which have depressed values due primarily to an increase in interest rates since the purchase of these securities. Unrealized losses were not recognized in net income on these fixed maturity securities since the Company neither intends to sell the securities nor does it believe that it is more likely than not that it will be required to sell these securities before recovery of their cost or amortized cost basis. For securities with significant declines in value, individual security level analysis was performed utilizing underlying collateral default expectations, market data, and industry analyst reports.

Allowance for credit losses on fixed maturity securities

The table below presents a roll-forward of the allowance for credit losses recognized for fixed maturity securities held by the Company:

	Three months ended March 31, 2025			Three months ended March 31, 2024		
	Corporate	Structured	Total	Corporate	Structured	Total
($ in millions)						
Balance, as of beginning of period	**$ 99**	**$ 176**	**$ 275**	**$ 49**	**$ 221**	**$ 270**
Initial credit loss allowance recognized on securities with no previously recognized allowance	19	18	37	9	1	10
Reductions due to sales (or maturities, pay downs or prepayments) during the period of securities with a previously recognized credit loss allowance	—	(15)	(15)	—	(7)	(7)
Net additions / reductions for securities with a previously recognized credit loss allowance	1	10	11	(5)	(34)	(39)
Balances charged off	(43)	—	(43)	(24)	—	(24)
Balance, as of end of period	**$ 76**	**$ 189**	**$ 265**	**$ 29**	**$ 181**	**$ 210**

Mortgage and other loan receivables

Mortgage and other loan receivables consist of the following:

	March 31, 2025	December 31, 2024
($ in millions)		
Commercial mortgage loans[1]	$ 25,667	$ 25,263
Residential mortgage loans[1]	21,825	21,582
Consumer loans[1]	4,761	4,848
Other loan receivables[1][2][4]	1,444	1,684
Total mortgage and other loan receivables	**$ 53,697**	**$ 53,377**
Allowance for credit losses[3]	(619)	(614)
Total mortgage and other loan receivables, net of allowance for credit losses	**$ 53,078**	**$ 52,763**

(1) Includes $3.1 billion and $1.6 billion of loans carried at fair value using the fair value option as of March 31, 2025, and December 31, 2024, respectively. These loans had unpaid principal balances of $3.3 billion and $1.8 billion as of March 31, 2025, and December 31, 2024, respectively.

(2) As of March 31, 2025, other loan receivables consisted primarily of renewable energy development loans, warehouse facility loans backed by agricultural mortgages, loans collateralized by aircraft, and loans collateralized by residential mortgages of $174 million, $514 million, $278 million, and $200 million, respectively. As of December 31, 2024, other loan receivables consisted primarily of renewable energy development loans, warehouse facility loans backed by agricultural mortgages, loans collateralized by aircraft, and loans collateralized by residential mortgages of $547 million, $503 million, $271 million and $200 million, respectively.

(3) Includes credit loss allowances on purchase-credit deteriorated mortgage and other loan receivables of $(72) million as of both March 31, 2025, and December 31, 2024.

(4) Includes related party balance of $51 million and $11 million as of March 31, 2025 and December 31, 2024, respectively.

The maturity distribution for residential and commercial mortgage loans was as follows as of March 31, 2025:

Years	Residential	Commercial	Total mortgage loans
($ in millions)			
Remainder of 2025	$ 1	$ 4,570	$ 4,571
2026	533	6,688	7,221
2027	603	7,552	8,155
2028	124	1,800	1,924
2029	11	1,458	1,469
2030	211	448	659
Thereafter	20,342	3,151	23,493
Total	**$ 21,825**	**$ 25,667**	**$ 47,492**

Actual maturities could differ from contractual maturities because borrowers may have the right to prepay (with or without prepayment penalties) and loans may be refinanced.

The Company diversifies its mortgage loan portfolio by both geographic region and property type to reduce concentration risk. The following tables present the mortgage loans by geographic region and property type:

Mortgage loans - carrying value by geographic region	March 31, 2025		December 31, 2024	
($ in millions)				
South Atlantic	$ 13,430	28.3 %	$ 13,215	28.2 %
Pacific	11,778	24.8 %	11,739	25.1 %
Middle Atlantic	5,992	12.6 %	5,842	12.5 %
West South Central	5,413	11.4 %	5,396	11.5 %
Mountain	3,987	8.4 %	4,001	8.5 %
New England	1,755	3.7 %	1,679	3.6 %
East North Central	1,485	3.1 %	1,506	3.2 %
East South Central	983	2.1 %	986	2.1 %
West North Central	442	0.9 %	456	1.0 %
Foreign and other regions	2,227	4.7 %	2,025	4.3 %
Total by geographic region	**$ 47,492**	**100.0 %**	**$ 46,845**	**100.0 %**

Mortgage loans - carrying value by property type	March 31, 2025		December 31, 2024	
($ in millions)				
Residential	$ 21,825	46.0 %	$ 21,582	46.1 %
Multi-family	13,037	27.4 %	12,793	27.3 %
Industrial	6,032	12.7 %	6,357	13.6 %
Office building	4,450	9.4 %	4,468	9.5 %
Other property types	1,371	2.9 %	805	1.7 %
Retail	492	1.0 %	505	1.1 %
Warehouse	285	0.6 %	335	0.7 %
Total by property type	**$ 47,492**	**100.0 %**	**$ 46,845**	**100.0 %**

Allowance for credit losses

Changes in the allowance for credit losses are summarized below:

	Three months ended March 31, 2025			
	Commercial mortgage loans	Residential mortgage loans	Consumer and other loan receivables	Total
($ in millions)				
Balance, as of beginning of period	**$ 326**	**$ 109**	**$ 179**	**$ 614**
Net provision (release)	25	2	10	37
Charge-offs	—	—	(37)	(37)
Recoveries of amounts previously charged-off	—	—	5	5
Balance, as of end of period	**$ 351**	**$ 111**	**$ 157**	**$ 619**

	Three months ended March 31, 2024			
	Commercial mortgage loans	Residential mortgage loans	Consumer and other loan receivables	Total
($ in millions)				
Balance, as of beginning of period	**$ 319**	**$ 109**	**$ 174**	**$ 602**
Net provision (release)	57	(5)	75	127
Charge-offs	(16)	(1)	(41)	(58)
Recoveries of amounts previously charged-off	—	—	5	5
Balance, as of end of period	**$ 360**	**$ 103**	**$ 213**	**$ 676**

Credit quality indicators

Mortgage and consumer loan receivable performance status

The following table represents our portfolio of mortgage and consumer loan receivables by origination year and performance status:

Performance status as of March 31, 2025 ($ in millions)	By year of origination 2025	2024	2023	2022	2021	Prior	Total
Commercial mortgage loans							
Gross charge-offs for the three months ended March 31, 2025	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Current	$ 314	$ 4,761	$ 3,604	$ 6,102	$ 6,417	$ 4,292	$ 25,490
30 to 59 days past due	—	—	—	—	—	—	—
60 to 89 days past due	—	—	—	—	—	—	—
90 days or more past due or in process of foreclosure	—	—	—	—	97	80	177
Total commercial mortgage loans	**$ 314**	**$ 4,761**	**$ 3,604**	**$ 6,102**	**$ 6,514**	**$ 4,372**	**$ 25,667**
Residential mortgage loans							
Gross charge-offs for the three months ended March 31, 2025	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Current	$ 966	$ 7,890	$ 3,723	$ 1,945	$ 3,922	$ 2,586	$ 21,032
30 to 59 days past due	—	118	78	23	42	88	349
60 to 89 days past due	—	29	32	18	14	33	126
90 days or more past due or in process of foreclosure	—	39	55	38	67	119	318
Total residential mortgage loans	**$ 966**	**$ 8,076**	**$ 3,888**	**$ 2,024**	**$ 4,045**	**$ 2,826**	**$ 21,825**
Consumer loans							
Gross charge-offs for the three months ended March 31, 2025	$ —	$ (2)	$ (3)	$ (5)	$ (15)	$ (12)	$ (37)
Current	$ 6	$ 671	$ 437	$ 684	$ 1,329	$ 1,538	$ 4,665
30 to 59 days past due	—	2	3	5	17	18	45
60 to 89 days past due	—	1	2	3	9	9	24
90 days or more past due or in process of foreclosure	—	1	3	4	9	10	27
Total consumer loans	**$ 6**	**$ 675**	**$ 445**	**$ 696**	**$ 1,364**	**$ 1,575**	**$ 4,761**
Total mortgage and consumer loan receivables	**$ 1,286**	**$ 13,512**	**$ 7,937**	**$ 8,822**	**$ 11,923**	**$ 8,773**	**$ 52,253**

Performance status as of December 31, 2024	By year of origination						
	2024	2023	2022	2021	2020	Prior	Total
($ in millions)							
Commercial mortgage loans							
Gross charge-offs for the year ended December 31, 2024	$ —	$ —	$ (20)	$ (81)	$ (11)	$ (52)	$ (164)
Current	$ 4,627	$ 3,575	$ 6,013	$ 6,415	$ 560	$ 3,899	$ 25,089
30 to 59 days past due	—	—	—	—	—	—	—
60 to 89 days past due	—	—	—	—	—	42	42
90 days or more past due or in process of foreclosure	—	—	—	97	—	35	132
Total commercial mortgage loans	**$ 4,627**	**$ 3,575**	**$ 6,013**	**$ 6,512**	**$ 560**	**$ 3,976**	**$ 25,263**
Residential mortgage loans							
Gross charge-offs for the year ended December 31, 2024	$ —	$ —	$ (1)	$ (3)	$ (1)	$ (1)	$ (6)
Current	$ 8,278	$ 3,959	$ 1,949	$ 4,010	$ 1,192	$ 1,470	$ 20,858
30 to 59 days past due	68	89	64	39	6	91	357
60 to 89 days past due	20	24	10	12	—	24	90
90 days or more past due or in process of foreclosure	10	43	36	65	9	114	277
Total residential mortgage loans	**$ 8,376**	**$ 4,115**	**$ 2,059**	**$ 4,126**	**$ 1,207**	**$ 1,699**	**$ 21,582**
Consumer loans							
Gross charge-offs for the year ended December 31, 2024	$ (1)	$ (7)	$ (23)	$ (74)	$ (20)	$ (29)	$ (154)
Current	$ 593	$ 455	$ 691	$ 1,394	$ 566	$ 1,050	$ 4,749
30 to 59 days past due	1	2	3	22	4	15	47
60 to 89 days past due	1	1	2	10	2	8	24
90 days or more past due or in process of foreclosure	—	2	3	10	3	10	28
Total consumer loans	**$ 595**	**$ 460**	**$ 699**	**$ 1,436**	**$ 575**	**$ 1,083**	**$ 4,848**
Total mortgage and consumer loan receivables	**$ 13,598**	**$ 8,150**	**$ 8,771**	**$ 12,074**	**$ 2,342**	**$ 6,758**	**$ 51,693**

Loan-to-value ratio on mortgage loans

The loan-to-value ratio is expressed as a percentage of the current amount of the loan relative to the value of the underlying collateral. The following table summarizes the Company's loan-to-value ratios for its commercial mortgage loans as of March 31, 2025, and December 31, 2024:

Loan-to-value as of March 31, 2025, by year of origination	Carrying value loan-to-value 70% and less	Carrying value loan-to-value 71% - 90%	Carrying value loan-to-value over 90%	Total carrying value
($ in millions)				
2025	$ 314	$ —	$ —	$ 314
2024	4,622	139	—	4,761
2023	3,604	—	—	3,604
2022	5,704	366	32	6,102
2021	5,005	1,358	151	6,514
2020	438	91	35	564
Prior	3,495	107	206	3,808
Total commercial mortgage loans	**$ 23,182**	**$ 2,061**	**$ 424**	**$ 25,667**

Loan-to-value as of December 31, 2024, by year of origination	Carrying value loan-to-value 70% and less	Carrying value loan-to-value 71% - 90%	Carrying value loan-to-value over 90%	Total carrying value
($ in millions)				
2024	$ 4,488	$ 139	$ —	$ 4,627
2023	3,575	—	—	3,575
2022	5,647	366	—	6,013
2021	4,932	1,430	150	6,512
2020	433	92	35	560
2019	1,145	55	39	1,239
Prior	2,539	54	144	2,737
Total commercial mortgage loans	**$ 22,759**	**$ 2,136**	**$ 368**	**$ 25,263**

Changing economic conditions and updated assumptions affect the Company's assessment of the collectibility of commercial mortgage loans. Changing vacancies and rents are incorporated into the analysis that the Company performs to measure the allowance for credit losses. In addition, the Company continuously monitors its commercial mortgage loan portfolio to identify risk. Areas of emphasis are properties that have exposure to specific geographic events or have deteriorating credit.

The weighted average loan-to-value ratio for the Company's residential mortgage loans was 63% as of both March 31, 2025, and December 31, 2024.

Loan modifications

The Company may modify the terms of a loan when the borrower is experiencing financial difficulties, as a means to optimize recovery of amounts due on the loan. Modifications may involve temporary relief, such as payment forbearance for a short period time (where interest continues to accrue) or may involve more substantive changes to a loan. Changes to the terms of a loan, pursuant to a modification agreement, are factored into the analysis of the loan's expected credit losses, under the allowance model applicable to the loan.

For commercial mortgage loans, modifications for borrowers experiencing financial difficulty are tailored for individual loans and may include interest rate relief, maturity extensions or, less frequently, principal forgiveness. For both residential mortgage loans and consumer loans, the most common modifications for borrowers experiencing financial difficulty, aside from insignificant delays in payment, typically involve deferral of missed payments to the end of the loan term, interest rate relief, or maturity extensions.

The tables below present the carrying value of loans to borrowers experiencing financial difficulty, for which modifications have been granted during the three months ended March 31, 2025, and 2024:

Three months ended March 31, 2025, by loan type	Deferral of Amounts Due	Interest Rate Relief	Maturity Extension	Combination [(1)]	Total	Percentage of total carrying value outstanding
($ in millions)						
Commercial mortgage loans	$ —	$ 38	$ —	$ 68	$ 106	0.41 %
Residential mortgage loans	2	—	—	—	2	0.01 %
Consumer loans	3	—	8	7	18	0.39 %
Total	**$ 5**	**$ 38**	**$ 8**	**$ 75**	**$ 126**	

(1) Includes modifications involving a combination of deferral of amounts due, interest rate relief, or maturity extension.

Three months ended March 31, 2024, by loan type	Deferral of Amounts Due	Interest Rate Relief	Maturity Extension	Combination [(1)]	Total	Percentage of total carrying value outstanding
($ in millions)						
Commercial mortgage loans	$ —	$ —	$ —	$ 38	$ 38	0.17 %
Residential mortgage loans	3	—	8	5	16	0.11 %
Consumer loans	1	1	12	9	23	0.53 %
Total	**$ 4**	**$ 1**	**$ 20**	**$ 52**	**$ 77**	

(1) Includes modifications involving a combination of deferral of amounts due, interest rate relief, or maturity extension.

All of the commercial mortgage loans that had a combination of modifications had both interest rate relief and maturity extensions. For commercial mortgage loans granted interest rate relief, this relief generally involved either a change from a floating rate or a decrease in fixed rate to a weighted average rate of 3.0% for both the three months ended March 31, 2025, and 2024. The maturity extensions for commercial mortgage loans added a weighted-average of 2.0 years and 3.0 years to the life of the loans, for the three months ended March 31, 2025, and 2024, respectively. As of March 31, 2025, the Company has commitments to lend additional funds of $15 million for the modified commercial mortgage loans disclosed above.

The table below presents the performance status of the loans modified during the twelve months ended March 31, 2025:

Performance status as of March 31, 2025, by loan type	Current	30-59 days past due	60-89 days past due	90 days or more past due or in process of foreclosure	Total
($ in millions)					
Commercial mortgage loans	$ 454	$ —	$ —	$ —	$ 454
Residential mortgage loans	10	1	—	2	13
Consumer loans	63	11	5	3	82
Total[(1)]	**$ 527**	**$ 12**	**$ 5**	**$ 5**	**$ 549**

(1) Loans may have been modified more than once during the twelve months period; in this circumstance, the loan is only included once in this table. Modified loans that were subsequently repaid are excluded.

Equity method investments

Real assets of $1.4 billion as of both March 31, 2025, and December 31, 2024, and other investments of $679 million and $683 million as of March 31, 2025, and December 31, 2024, respectively, are accounted for using the equity method of accounting. The Company's maximum exposure to loss related to these equity method investments is limited to the carrying value of these investments plus unfunded commitments of $23 million as of both March 31, 2025, and December 31, 2024.

In addition, the Company has investments that would otherwise require the equity method of accounting for which the fair value option has been elected. The carrying amount of these investments was $1.4 billion and $477 million as of March 31, 2025, and December 31, 2024, respectively.

Variable interest entities

The Company has formed certain VIEs to either (i) hold investments, including fixed maturity securities, consumer and other loans, renewable energy, transportation, and real estate, or (ii) to conduct certain reinsurance activities with third party commitments. These VIEs issue beneficial interests primarily to the Company's insurance companies and the Company maintains the power to direct the activities of the VIEs that most significantly impact their economic performance and bears the obligation to absorb losses or receive benefits from the VIEs that could potentially be significant. Accordingly, the Company is the primary beneficiary of these VIEs, which are consolidated. Where these VIEs or entities consolidated by these VIEs issue beneficial interests to third-parties, they are reported as non-controlling interests by the Company.

The following table illustrates the Company's consolidated VIE positions:

($ in millions)	March 31, 2025	December 31, 2024
Assets of consolidated variable interest entities:		
Investments:		
AFS fixed maturity securities, at fair value	$ 9,275	$ 8,916
Trading fixed maturity securities, at fair value	202	98
Mortgage and other loan receivables	5,078	5,024
Real assets	13,489	13,499
Other investments	83	65
Cash and cash equivalents	1,091	853
Accrued investment income	224	238
Other assets	632	526
Total assets of consolidated variable interest entities	**$ 30,074**	**$ 29,219**
Liabilities of consolidated variable interest entities:		
Debt	$ 80	$ 70
Accrued expenses and other liabilities	405	496
Total liabilities of consolidated variable interest entities	**$ 485**	**$ 566**

The carrying amount and maximum exposure to loss relating to VIEs in which the Company holds a significant variable interest but is not the primary beneficiary and which have not been consolidated were as follows:

	March 31, 2025		December 31, 2024	
($ in millions)	Carrying amount	Maximum exposure to loss[(1)]	Carrying amount	Maximum exposure to loss[(1)]
Real assets	$ 443	$ 443	$ 457	$ 457
Other investments	1,068	1,068	665	665
Total	**$ 1,511**	**$ 1,511**	**$ 1,122**	**$ 1,122**

(1) The maximum exposure to loss relating to other investment and renewable energy partnership interests is equal to the carrying amounts. The Company also has unfunded commitments of $24 million and $26 million as of March 31, 2025, and December 31, 2024, respectively.

Repurchase agreement transactions

As of March 31, 2025, and December 31, 2024, the Company participated in repurchase agreements with a notional value of $306 million and $261 million, respectively. As collateral for these transactions, the Company typically posts AFS fixed maturity securities and/or mortgage and other loan receivables, which are included in investments in the consolidated balance sheets. The gross obligation for repurchase agreements is reported in other liabilities in the consolidated balance sheets.

The carrying value of assets pledged for repurchase agreements by type of collateral and remaining contractual maturity of the repurchase agreements as of March 31, 2025, and December 31, 2024 is presented in the following tables:

As of March 31, 2025	Overnight	<30 Days	30 - 90 Days	>90 Days	Total
($ in millions)					
Residential mortgage loans	$ —	$ 1	$ 127	$ 188	$ 316
Total assets pledged	**$ —**	**$ 1**	**$ 127**	**$ 188**	**$ 316**

As of December 31, 2024	Overnight	<30 Days	30 - 90 Days	>90 Days	Total
($ in millions)					
Residential mortgage loans	$ —	$ 4	$ 71	$ 196	$ 271
Total assets pledged	**$ —**	**$ 4**	**$ 71**	**$ 196**	**$ 271**

Other pledges and restrictions

Certain of the Company's subsidiaries are members of regional banks in the Federal Home Loan Banks (FHLB) system and such membership requires the members to own stock in these FHLBs. We own an aggregate of $118 million (accounted for at cost basis) of stock in FHLBs as of both March 31, 2025, and December 31, 2024. In addition, the Company insurance subsidiaries have entered into funding agreements with the FHLB, which require that the Company pledge eligible assets, such as fixed maturity securities and mortgage loans, as collateral. Assets pledged as collateral for these funding agreements had a carrying value of $6.8 billion and $4.6 billion as of March 31, 2025, and December 31, 2024, respectively.

The capital stock of one of our equity method investments has been pledged as collateral security for the due payment and performance of the debt obligations of the investee. Our investment subject to this pledge had a carrying value of $829 million and $834 million as of March 31, 2025 and December 31, 2024, respectively.

Insurance – statutory deposits

As of March 31, 2025, and December 31, 2024, the carrying value of the assets on deposit with various state and U.S. governmental authorities were $144 million and $141 million, respectively.

Net investment income

Net investment income is comprised primarily of (i) interest income, including amortization of premiums and accretion of discounts, (ii) dividend income from common and preferred stock, (iii) earnings from investments accounted for under equity method accounting, and (iv) lease income on real assets.

The components of net investment income were as follows:

($ in millions)	Three months ended March 31, 2025	Three months ended March 31, 2024
Fixed maturity securities	$ 1,517	$ 1,401
Mortgage and other loan receivables	772	560
Real assets	257	143
Income assumed from funds withheld receivable at interest	19	22
Income ceded to funds withheld payable at interest	(620)	(520)
Policy loans	22	25
Short-term and other investment income	135	141
Total investment income[(1)]	**$ 2,102**	**$ 1,772**
Less investment expenses:		
Investment management and administration[(2)]	328	251
Real asset depreciation and maintenance	64	50
Interest expense on derivative collateral and repurchase agreements	24	32
Net investment income	**$ 1,686**	**$ 1,439**

(1) Includes income from related parties of $110 million and $70 million for the three months ended March 31, 2025, and 2024, respectively.

(2) Includes investment management fees paid to KKR, a related party, of $160 million and $112 million for the three months ended March 31, 2025, and 2024, respectively.

Notes to the consolidated financial statements (unaudited)

Net investment-related losses

Net investment-related losses were as follows:

	Three months ended	
	March 31, 2025	March 31, 2024
($ in millions)		
Realized (losses) gains on available-for-sale fixed maturity securities	$ (1,117)	$ (28)
Credit loss allowances on available-for-sale securities	(48)	29
Credit loss allowances on mortgage and other loan receivables	(37)	(127)
Credit loss allowances on unfunded commitments	—	(5)
Unrealized (losses) gains on fixed maturity securities classified as trading[(1)]	266	(89)
Unrealized gains (losses) on other investments recognized under the fair-value option and equity investments	29	(3)
Unrealized (losses) gains on real assets	19	(118)
Realized (losses) gains on real assets	11	(1)
Net (losses) gains on derivative instruments	(660)	101
Realized gains on funds withheld at interest, payable	76	24
Realized losses on funds withheld at interest, receivable	(50)	(2)
Other realized gains (losses)	68	(12)
Net investment-related losses	**$ (1,443)**	**$ (231)**

(1) Includes gains (losses) from related party KKR trading corporate fixed maturity securities of $(6) million and $12 million for the three months ended March 31, 2025, and 2024, respectively.

Proceeds and gross gains and losses from voluntary sales

The proceeds from voluntary sales and the gross gains and losses on those sales of available-for-sale ("AFS") fixed maturity securities were as follows:

	Three months ended	
	March 31, 2025	March 31, 2024
($ in millions)		
AFS fixed maturity securities:		
Proceeds from voluntary sales	$ 12,137	$ 2,047
Gross gains	$ 18	$ 10
Gross losses	$ (1,127)	$ (17)

4. Derivative instruments

The Company holds derivative instruments that are primarily used in its hedge program. The Company has established a hedge program that seeks to mitigate economic impacts primarily from interest rate and equity price movements, while taking into consideration accounting and capital impacts.

The Company hedges interest rate and equity market risks associated with its insurance liabilities including fixed-indexed annuities, indexed universal life policies, variable annuity policies, and variable universal life policies, among others. For fixed-indexed annuities and indexed universal life policies, the Company generally seeks to use static hedges to offset the exposure primarily created by changes in its embedded derivative balances. The Company generally purchases options which replicate the crediting rate strategies, often in the form of call spreads. Call spreads are the purchase of a call option matched by the sale of a different call option. For variable annuities and variable universal life policies, the Company generally seeks to dynamically hedge its exposure to changes in the value of the guarantee it provides to policyholders. Doing so requires the active trading of several financial instruments to respond to changes in market conditions. In addition, the Company enters into inflation swaps to manage inflation risk associated with inflation-indexed preneed policies.

In the context of specific reinsurance transactions in the institutional channel or acquisitions, the Company may also enter into hedges which are designed to limit short-term market risks to the economic value of the target assets. From time to time, the Company also enters into hedges designed to mitigate interest rate and credit risk in investment income, interest expense, and fair value of assets and liabilities. In addition, the Company enters into currency swaps and forwards to manage any foreign exchange rate risks that may arise from investments denominated in foreign currencies.

The Company attempts to mitigate the risk of loss due to ineffectiveness under these derivative investments through a regular monitoring process which evaluates the program's effectiveness. Management monitors the Company's derivative activities by reviewing portfolio activities and risk levels. Management also oversees all derivative transactions to ensure that the types of transactions entered into and the results obtained from those transactions are consistent with both the Company's risk management strategy and the Company's policies and procedures.

The restricted cash which was held in connection with open derivative transactions with exchange brokers was $94 million and $136 million as of March 31, 2025, and December 31, 2024, respectively.

The Company also has embedded derivatives related to reinsurance contracts that are accounted for on a modified coinsurance and funds withheld basis. An embedded derivative exists because the arrangement exposes the reinsurer to third-party credit risk. These embedded derivatives are included in funds withheld receivable and payable at interest in the consolidated balance sheets.

Credit Risk

The Company may be exposed to credit-related losses in the event of nonperformance by its counterparties to derivatives. Generally, the current credit exposure of the Company's derivatives is limited to the positive fair value of derivatives less any collateral received from the counterparty.

The Company manages the credit risk on its derivatives by entering into derivative transactions with highly rated financial institutions and other creditworthy counterparties and, where feasible, by trading through central clearing counterparties. The Company further manages its credit risk on derivatives via the use of master netting agreements, which require the daily posting of collateral by the party in a liability position. Counterparty credit exposure and collateral values are monitored regularly and measured against counterparty exposure limits. The provisions of derivative transactions may allow for the termination and settlement of a transaction if there is a downgrade to the Company's financial strength ratings below a specified level.

The fair value and notional value of the derivative assets and liabilities were as follows:

	March 31, 2025		
		Fair Value	
($ in millions)	Gross Notional	Assets	Liabilities
Derivatives designated as hedge accounting instruments:			
Interest rate contracts	$ 15,394	$ 114	$ 408
Foreign currency contracts	2,613	18	49
Total derivatives designated as hedge accounting instruments	**$ 18,007**	**$ 132**	**$ 457**
Derivatives not designated as hedge accounting instruments:			
Interest rate contracts	$ 22,293	$ 253	$ 275
Equity market contracts	37,620	1,527	121
Foreign currency contracts	3,050	31	55
Other contracts	61	—	3
Total derivatives not designated as hedge accounting instruments	**$ 63,024**	**$ 1,811**	**$ 454**
Counterparty netting[2]	—	(456)	(456)
Cash collateral	—	(1,368)	(117)
Total derivatives after collateral[1]	**$ 81,031**	**$ 119**	**$ 338**

(1) Excludes embedded derivatives. The fair value of these embedded derivatives related to assets was $102 million and the fair value of these embedded derivatives related to liabilities was $3.6 billion.

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

	December 31, 2024		
		Fair Value	
	Gross Notional	Assets	Liabilities
($ in millions)			
Derivatives designated as hedge accounting instruments:			
Interest rate contracts	$ 15,491	$ 42	$ 511
Foreign currency contracts	2,541	67	29
Total derivatives designated as hedge accounting instruments	**$ 18,032**	**$ 109**	**$ 540**
Derivatives not designated as hedge accounting instruments:			
Interest rate contracts	$ 29,211	$ 206	$ 561
Equity market contracts	37,151	1,921	144
Foreign currency contracts	2,887	109	55
Other contracts	62	2	—
Total derivatives not designated as hedge accounting instruments	**$ 69,311**	**$ 2,238**	**$ 760**
Counterparty netting[2]	—	(649)	(649)
Cash collateral	—	(1,637)	(262)
Total derivatives after collateral[1]	**$ 87,343**	**$ 61**	**$ 389**

(1) Excludes embedded derivatives. The fair value of these embedded derivatives related to assets was $126 million and the fair value of these embedded derivatives related to liabilities was $3.2 billion.

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

Derivatives designated as accounting hedges

Where the Company has derivative instruments that are designated and qualify as accounting hedges, these derivative instruments receive hedge accounting.

Fair value hedges

The Company has designated foreign exchange derivative contracts, including forwards and swaps, to hedge the foreign currency risk associated with foreign currency-denominated bonds in fair value hedges. These foreign currency-denominated bonds are accounted for as AFS fixed maturity securities. Changes in the fair value of the hedged AFS fixed maturity securities due to changes in spot exchange rates are reclassified from AOCI to earnings, which offsets the earnings impact of the spot changes of the foreign exchange derivative contracts, both of which are recognized within investment-related (losses) gains. The effectiveness of these hedges is assessed using the spot method. Changes in the fair value of the foreign exchange derivative contracts related to changes in the spot-forward difference are excluded from the assessment of hedge effectiveness and are deferred in AOCI and recognized in earnings using a systematic and rational method over the life of the foreign exchange derivative contracts. The amortized cost of the AFS fixed maturity securities in qualifying foreign exchange fair value hedges was $2.2 billion and $2.1 billion as of March 31, 2025, and December 31, 2024, respectively.

The Company has designated interest rate swaps to hedge the interest rate risk associated with certain debt and policy liabilities. These fair value hedges generally qualify for the shortcut method of assessing hedge effectiveness. The following table presents the financial statement classification, carrying amount, and cumulative fair value hedging adjustments for qualifying hedged debt and policy liabilities:

	Carrying Amount of Hedged Liabilities		Cumulative Amount of Fair Value Hedging Adjustments Included in the Carrying Amount of Hedged Liabilities[1]	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
($ in millions)				
Debt	$ 2,331	$ 2,279	$ (182)	$ (233)
Policy liabilities	4,192	4,454	(155)	(204)

(1) Includes $183 million and $193 million of hedging adjustments on discontinued hedging relationships as of March 31, 2025, and December 31, 2024, respectively.

Cash flow hedges

The Company has designated bond forwards to hedge the interest rate risk associated with the planned purchase of AFS fixed maturity securities in cash flow hedges. These arrangements are hedging purchases through January 2030 and are expected to affect earnings until 2057. Regression analysis is used to assess the effectiveness of these hedges.

As of March 31, 2025, and December 31, 2024, there was a cumulative loss of $(210) million and $(250) million, respectively, on the currently designated bond forwards recorded in accumulated other comprehensive loss. Amounts deferred in accumulated other comprehensive loss are reclassified to net investment income following the qualifying purchases of AFS securities, as an adjustment to the yield earned over the life of the purchased securities, using the effective interest method.

The Company has designated interest rate swaps to hedge the interest rate risk associated with floating rate investments, including AFS fixed maturity securities and commercial mortgage loans. Regression analysis is used to assess the effectiveness of these hedges.

As of March 31, 2025 and December 31, 2024, there was a cumulative gain (loss) of $(32) million and $(61) million on the currently designated interest rate swaps recorded in accumulated other comprehensive loss, respectively. Amounts deferred in accumulated other comprehensive loss are reclassified to net investment income in the same period during which the hedged investments affect earnings.

For all cash flow hedges, the Company estimates that the amount of gains/losses in accumulated other comprehensive loss to be reclassified into earnings in the next 12 months will not be material.

Net investment hedges

The Company has designated cross currency swaps to hedge the foreign currency risk associated with certain foreign currency-denominated equity method investments in net investment hedges. The effectiveness of these hedges is assessed based on changes in spot rates.

Changes in the fair value of the swaps are recognized in other comprehensive income (OCI), consistent with the translation adjustment for the hedged investment. The component comprising the difference between forward rates and spot rates is amortized to net investment income over the life of the swaps. As of March 31, 2025 and December 31, 2024, the cumulative foreign currency translation gain (loss) recorded in accumulated other comprehensive income (AOCI) related to net investment hedges was $(21) million and $(25) million, respectively.

Derivative results

The following table presents the financial statement classification and amount of gains (losses) recognized on derivative instruments and related hedged items, where applicable:

	Three months ended March 31, 2025				
	Net Investment-related Gains (Losses)	Net Investment Income	Policy Benefits (Claims)	Interest Expense	Change in AOCI
($ in millions)					
Derivatives Designated as Hedge Accounting Instruments					
Fair Value Hedges					
Gains (losses) on derivatives designated as hedge instruments:					
Interest rate contracts	$ —	$ —	$ 24	$ 40	$ —
Foreign currency contracts	(93)	1	—	—	13
Total gains (losses) on derivatives designated as hedge instruments	**$ (93)**	**$ 1**	**$ 24**	**$ 40**	**$ 13**
Gains (losses) on hedged items:					
Interest rate contracts	$ —	$ —	$ (24)	$ (40)	$ —
Foreign currency contracts	87	—	—	—	—
Total gains (losses) on hedged items	**$ 87**	**$ —**	**$ (24)**	**$ (40)**	**$ —**
Amortization for gains (losses) excluded from assessment of effectiveness:					
Foreign currency contracts	$ 5	$ —	$ —	$ —	$ —
Total amortization for gains (losses) excluded from assessment of effectiveness	**$ 5**	**$ —**	**$ —**	**$ —**	**$ —**
Total gains (losses) on fair value hedges, net of hedged items	**$ (1)**	**$ 1**	**$ —**	**$ —**	**$ 13**
Cash Flow Hedges					
Interest rate contracts	$ —	$ (1)	$ —	$ —	$ 69
Total gains (losses) on cash flow hedges	**$ —**	**$ (1)**	**$ —**	**$ —**	**$ 69**

	Three months ended March 31, 2025				
($ in millions)	Net Investment-related Gains (Losses)	Net Investment Income	Policy Benefits (Claims)	Interest Expense	Change in AOCI
Net investment hedges					
Gains (losses) on derivatives designated as hedge instruments	$ —	$ 1	$ —	$ —	$ 4
Total gains (losses) on net investment hedges	**$ —**	**$ 1**	**$ —**	**$ —**	**$ 4**
Derivatives Not Designated as Hedge Accounting Instruments					
Interest rate contracts	$ 175	$ —	$ —	$ —	$ —
Foreign exchange and other derivative contracts	(75)	—	—	—	—
Equity index options	(340)	—	—	—	—
Equity future contracts	28	—	—	—	—
Embedded derivatives - funds withheld payable	(423)	—	—	—	—
Embedded derivatives - funds withheld receivable	(24)	—	—	—	—
Total gains (losses) on derivatives not designated as hedge accounting instruments	**$ (659)**	**$ —**	**$ —**	**$ —**	**$ —**
Total	**$ (660)**	**$ 1**	**$ —**	**$ —**	**$ 86**

	Three months ended March 31, 2024				
($ in millions)	Net Investment-related Gains (Losses)	Net Investment Income	Policy Benefits (Claims)	Interest Expense	Change in AOCI
Derivatives Designated as Hedge Accounting Instruments					
Fair Value Hedges					
Gains (losses) on derivatives designated as hedge instruments:					
Interest rate contracts	$ —	$ —	$ (64)	$ (53)	$ —
Foreign currency contracts	50	1	—	—	(5)
Total gains (losses) on derivatives designated as hedge instruments	**$ 50**	**$ 1**	**$ (64)**	**$ (53)**	**$ (5)**
Gains (losses) on hedged items:					
Interest rate contracts	$ —	$ —	$ 64	$ 53	$ —
Foreign currency contracts	(45)	—	—	—	—
Total gains (losses) on hedged items	**$ (45)**	**$ —**	**$ 64**	**$ 53**	**$ —**
Amortization for gains (losses) excluded from assessment of effectiveness:					
Foreign currency contracts	$ 6	$ —	$ —	$ —	$ —
Total amortization for gains (losses) excluded from assessment of effectiveness	**$ 6**	**$ —**	**$ —**	**$ —**	**$ —**

($ in millions)	Three months ended March 31, 2024 Net Investment-related Gains (Losses)	Net Investment Income	Policy Benefits (Claims)	Interest Expense	Change in AOCI
Total gains (losses) on fair value hedges, net of hedged items	**$ 11**	**$ 1**	**$ —**	**$ —**	**$ (5)**
Cash Flow Hedges					
Interest rate contracts	$ —	$ (1)	$ —	$ —	$ (31)
Total gains (losses) on cash flow hedges	**$ —**	**$ (1)**	**$ —**	**$ —**	**$ (31)**
Derivatives Not Designated as Hedge Accounting Instruments					
Interest rate contracts	$ (249)	$ —	$ —	$ —	$ —
Foreign exchange and other derivative contracts	25	—	—	—	—
Equity index options	257	—	—	—	—
Equity future contracts	(64)	—	—	—	—
Embedded derivatives - funds withheld payable	96	—	—	—	—
Embedded derivatives - funds withheld receivable	25	—	—	—	—
Total gains (losses) on derivatives not designated as hedge accounting instruments	**$ 90**	**$ —**	**$ —**	**$ —**	**$ —**
Total	**$ 101**	**$ —**	**$ —**	**$ —**	**$ (36)**

Collateral

The amount of the Company's net derivative assets and liabilities after consideration of collateral received or pledged were as follows:

As of March 31, 2025 ($ in millions)	Gross amount recognized	Gross amounts offset in the consolidated balance sheets[(1)]	Net amounts presented in the consolidated balance sheets	Collateral (received) / pledged	Net amount after collateral
Derivative assets (excluding embedded derivatives)	$ 1,943	$ (1,824)	$ 119	$ (157)	$ (38)
Derivative liabilities (excluding embedded derivatives)	$ 910	$ (573)	$ 337	$ 621	$ (284)

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

As of December 31, 2024	Gross amount recognized	Gross amounts offset in the consolidated balance sheets(1)	Net amounts presented in the consolidated balance sheets	Collateral (received) / pledged	Net amount after collateral
($ in millions)					
Derivative assets (excluding embedded derivatives)	$ 2,347	$ (2,285)	$ 62	$ (158)	$ (96)
Derivative liabilities (excluding embedded derivatives)	$ 1,299	$ (910)	$ 389	$ 505	$ (116)

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

5. Fair value disclosure of financial instruments

The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date ("the exit price"). The best evidence of fair value is a quoted price in an active market. If listed prices or quotations are not available, fair value is determined by reference to prices of similar instruments and quoted prices or recent prices in less active markets.

U.S. GAAP establishes a three-level valuation hierarchy based upon observable and non-observable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect our market assumptions. The fair value hierarchy prioritizes inputs to the valuation techniques used to measure fair value, giving the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. A financial instrument's level in the fair value hierarchy is based on the lowest level of any input that is significant to fair value measurement of the financial instrument. The three levels of the fair value hierarchy are described below:

Basis of fair value measurement

Level 1: Unadjusted quoted prices in active markets to which the Company had access as of the measurement date for identical, unrestricted assets and liabilities.

Level 2: Inputs to valuation techniques are observable either directly or indirectly through quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable; and

Level 3: Model-derived where one or more inputs to the valuation techniques are significant and unobservable.

The measurement of Level 3 financial instrument fair values uses unobservable inputs that are based on management judgment and the internal determination of assumptions that market participants would use in valuing them. Valuation subjectivity increases when markets are less liquid due to the lack of more transparent market-based inputs, which may increase the potential that estimated fair values are not reflective of the price at which an actual transaction would occur.

The following tables represent the Company's hierarchy for its assets and liabilities measured and reported at fair value by the fair value hierarchy on a recurring basis:

As of March 31, 2025 *($ in millions)*	Level 1	Level 2	Level 3	Total
Assets:				
AFS fixed maturity securities:				
U.S. government and agencies	$ 50	$ 494	$ —	$ 544
U.S. state, municipal, and political subdivisions	—	2,831	—	2,831
Corporate[1]	—	35,635	14,764	50,399
Structured securities[2]	—	27,480	2,522	30,002
Total AFS fixed maturity securities	**$ 50**	**$ 66,440**	**$ 17,286**	**$ 83,776**
Trading fixed maturity securities:				
U.S. government and agencies	—	674	—	674
U.S. state, municipal, and political subdivisions	—	297	—	297
Corporate[3]	—	11,980	2,335	14,315
Structured securities[4]	—	6,666	1,168	7,834
Total trading fixed maturity securities	**$ —**	**$ 19,617**	**$ 3,503**	**$ 23,120**
Mortgage and other loan receivables	—	—	3,128	3,128
Real assets[5]	—	—	8,467	8,467
Other investments[5]	1,423	465	139	2,027
Funds withheld receivable at interest	—	—	102	102
Reinsurance recoverable	—	—	953	953
Derivative assets:				
Equity market contracts	—	1,527	—	1,527
Interest rate contracts	—	367	—	367
Foreign currency contracts	—	49	—	49
Counterparty netting[7] and cash collateral	(1)	(1,823)	—	(1,824)
Total derivative assets	**$ (1)**	**$ 120**	**$ —**	**$ 119**
Separate account assets	3,739	—	—	3,739
Total assets at fair value	**$ 5,211**	**$ 86,642**	**$ 33,578**	**$ 125,431**
Liabilities:				
Policy liabilities[6] (including market risk benefits)	$ —	$ —	$ 1,499	$ 1,499
Closed block policy liabilities	—	—	1,001	1,001
Funds withheld payable at interest	—	—	(2,374)	(2,374)
Derivative instruments payable:				
Equity market contracts	1	120	—	121
Interest rate contracts	—	683	—	683
Other contracts	—	3	—	3
Foreign currency contracts	—	104	—	104
Counterparty netting[7] and cash collateral	(1)	(572)	—	(573)
Total derivative instruments payable	**$ —**	**$ 338**	**$ —**	**$ 338**
Embedded derivative – interest-sensitive life products	—	—	414	414
Embedded derivative – annuity products	—	—	5,521	5,521
Total liabilities at fair value	**$ —**	**$ 338**	**$ 6,061**	**$ 6,399**

(1) Includes related party KKR AFS corporate fixed maturity securities of $5.2 billion.

(2) Includes related party KKR AFS structured securities of $559 million.

(3) Includes related party KKR trading corporate fixed maturity securities of $845 million.

(4) Includes related party KKR trading structured securities of $454 million.

(5) Real assets and other investments excluded from the fair value hierarchy table include certain funds for which fair value is measured at net asset value per share as a practical expedient. As of March 31, 2025, the fair value of these real assets and other investments were $25 million and $555 million, respectively. These fund investments have strategies primarily focused on real assets (primarily real estate) or other investments and are subject to certain restrictions on redemption. As of March 31, 2025, there were $1 million and $2 million of unfunded commitments associated with these real assets and other investments, respectively.

(6) Includes market risk benefit of $1.2 billion.

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

As of December 31, 2024	Level 1	Level 2	Level 3	Total
($ in millions)				
Assets:				
AFS fixed maturity securities:				
U.S. government and agencies	$ —	$ 2,391	$ —	$ 2,391
U.S. state, municipal, and political subdivisions	—	3,770	—	3,770
Corporate(1)	—	32,606	13,803	46,409
Structured securities(2)	—	26,195	2,318	28,513
Total AFS fixed maturity securities	**$ —**	**$ 64,962**	**$ 16,121**	**$ 81,083**
Trading fixed maturity securities:				
U.S. government and agencies	—	2,426	—	2,426
U.S. state, municipal, and political subdivisions	—	380	—	380
Corporate(3)	—	10,145	2,002	12,147
Structured securities(4)	—	6,473	813	7,286
Total trading fixed maturity securities	**$ —**	**$ 19,424**	**$ 2,815**	**$ 22,239**
Mortgage and other loan receivables	—	—	1,611	1,611
Real assets(5)	—	—	8,121	8,121
Other investments(5)	207	269	104	580
Funds withheld receivable at interest	—	—	126	126
Reinsurance recoverable	—	—	941	941
Derivative assets:				
Equity market contracts	5	1,916	—	1,921
Interest rate contracts	—	248	—	248
Credit contracts	—	2	—	2
Foreign currency contracts	—	176	—	176
Counterparty netting(7) and cash collateral	—	(2,286)	—	(2,286)
Total derivative assets	**$ 5**	**$ 56**	**$ —**	**$ 61**
Separate account assets	3,981	—	—	3,981
Total assets at fair value	**$ 4,193**	**$ 84,711**	**$ 29,839**	**$ 118,743**
Liabilities:				
Policy liabilities(6) (including market risk benefits)	$ —	$ —	$ 1,280	$ 1,280
Closed block policy liabilities	—	—	988	988
Funds withheld payable at interest	—	—	(2,797)	(2,797)
Derivative instruments payable:				
Equity market contracts	1	143	—	144
Interest rate contracts	—	1,072	—	1,072
Foreign currency contracts	—	84	—	84

As of December 31, 2024	Level 1	Level 2	Level 3	Total
($ in millions)				
Counterparty netting[7] and cash collateral	—	(911)	—	(911)
Total derivative instruments payable	**$ 1**	**$ 388**	**$ —**	**$ 389**
Embedded derivative – interest-sensitive life products	—	—	492	492
Embedded derivative – annuity products	—	—	5,481	5,481
Total liabilities at fair value	**$ 1**	**$ 388**	**$ 5,444**	**$ 5,833**

(1) Includes related party KKR AFS corporate fixed maturity securities of $4.8 billion.

(2) Includes related party KKR AFS structured securities of $401 million.

(3) Includes related party KKR trading corporate fixed maturity securities of $800 million.

(4) Includes related party KKR trading structured securities of $140 million.

(5) Real assets and other investments excluded from the fair value hierarchy include certain funds for which fair value is measured at net asset value per share as a practical expedient. As of December 31, 2024, the fair value of these real assets and other investments were $35 million and $4 million, respectively. These fund investments have strategies primarily focused on real assets (primarily real estate) or other investments and are subject to certain restrictions on redemption. As of December 31, 2024, there were $1 million and $2 million of unfunded commitments associated with these real assets and other investments, respectively.

(6) Includes market risk benefit of $1.0 billion.

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

Fair value techniques and inputs

The following is a description of the valuation techniques and inputs used for instruments carried at fair value. The observability of the inputs used in the valuation determines the appropriate level in the fair value hierarchy for the respective asset or liability. Also refer to Note 2–"Significant accounting policies" for additional information valuation techniques used for the respective reported balances.

Investments

Investments in U.S. Treasury, government and agency securities, foreign government securities, short-term money market securities, and mutual funds held in separate accounts are valued using quoted market prices for identical unrestricted instruments in active markets. Investments such as fixed maturity securities for which quoted market prices from active markets are not available are priced using observable inputs, which can be verified to quoted prices, recent trading activity for identical or similar instruments, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations and the relationship of recent market activity to the prices provided from alternative pricing sources. Investments having one or more significant valuation inputs that are not observable are initially valued at transaction price, which is considered to be the best initial estimate of fair value. Subsequently, the Company uses other methodologies to determine fair value, which vary based on the type of investment.

Valuation inputs and assumptions are changed when corroborated by substantive observable evidence, including values realized on sales.

Derivative instruments

Derivative instruments such as exchange-traded futures and options are valued at their quoted market price. Most of the over the counter derivative instruments used by the

Company are those for which all significant valuation inputs are corroborated by market evidence. These derivative instruments are principally valued using an income approach. The Company calculates the fair value of derivative assets by discounting future cash flows at a rate that incorporates counterparty credit spreads and the fair value of derivative liabilities by discounting future cash flows at a rate that incorporates the Company's own credit spreads. When appropriate, valuations are adjusted for various factors such as liquidity, bid/offer spreads, and credit considerations. Such adjustments are generally based on available market evidence.

Valuations for non-option based interest rate derivatives are based on present value techniques, which utilize significant inputs that may include the swap yield curve, LIBOR basis curves, and repurchase rates. Valuations for option based interest rate derivatives are based on option pricing models, which utilize significant inputs that may include the swap yield curve, LIBOR basis curves, and interest rate volatility.

Prices for foreign currency derivatives based on the exchange rates of leading industrialized nations, including those with longer tenors, are generally observable. The valuation of other derivative instruments including credit derivatives and equity market derivatives have significant unobservable inputs, such as equity volatility inputs for options that are very long dated, and are principally valued using an income approach.

Funds withheld at interest, reinsurance assets, and policy liabilities

The funds withheld receivable at interest carried at fair value is primarily valued based on the fair value of the underlying investments, which have quoted prices or other observable inputs to pricing. A portion of the funds withheld receivable at interest carried at fair value represents embedded derivatives and is valued using present value techniques that consider inputs including contractholder persistency and contract duration. Reinsurance recoverables carried at fair value are valued using present value techniques that consider inputs including mortality and surrender rates for the associated policies, as well as estimates of policy expenses and the cost of capital held in support of the related closed block policy liabilities.

Policy liabilities carried at fair value are valued using present value techniques that discount estimated liability cash flows at a rate that reflects the riskiness of those cash flows and also consider policyholder behavior (lapse rates, surrender rates and mortality). Market risk benefits liability is valued at fair value using a non-option and option valuation approach based on current net amounts at risk, market data, Company experience, and other factors. Closed block policy liabilities carried at fair value are valued using present value techniques that consider inputs including mortality and surrender rates for the respective policies, as well as estimates of policy expenses and the cost of capital held in support of the liabilities. The funds withheld payable at interest carried at fair value represents embedded derivatives and is valued based on the change in the fair value of the assets supporting the payable. Other embedded derivative liabilities are related to our fixed-indexed annuity and interest-sensitive life products, which contain equity-indexed features. We calculate the embedded derivative liabilities as the present value of future projected benefits in excess of the projected guaranteed benefits, using an option budget as the indexed account value growth rate and considering an adjustment to reflect the risk of nonperformance on our obligation and inputs such as projected withdrawal and surrender activity, and mortality. We calculate instrument-specific credit risk using a blend of observable peer holding company credit spreads, adjusted to reflect the claims paying ability of our insurance entities, as well as an adjustment to reflect the priority of policy claims. See details in the table below.

Fair value of assets and liabilities

Significant unobservable inputs

The tables below present the ranges of significant unobservable inputs used to value the Company's Level 3 financial assets and liabilities, and includes only those items for which information is reasonably available, such as data from internal determinations of fair value. These ranges represent the significant unobservable inputs that were used in the valuation of each type of financial asset and liability. Weighted averages in the tables below are calculated by weighting each input by the relative fair value of the respective financial instruments. The ranges and weighted averages of these inputs are not representative of the appropriate inputs to use when calculating the fair value of any one financial asset or liability. Accordingly, the ranges of inputs presented below do not represent uncertainty in, or possible ranges of, fair value measurements of the Company's Level 3 financial assets and liabilities as of March 31, 2025, and December 31, 2024. Also refer to Note 2–"Significant accounting policies" for additional information on valuation techniques used for the respective reported balances.

As of March 31, 2025				
Level 3 assets[1]	Level 3 assets *($ in millions)*	Valuation techniques and significant unobservable inputs	Range of significant unobservable inputs (weighted average, or "WA")	Impact of an increase in the input on fair value
Corporate fixed maturity securities	$ 17,099	Discounted cash flows - discount spread	0.3% - 5% (WA 2.9%)	Decrease
Structured securities	3,690	Discounted cash flows - discount spread	1.4% - 4.3% (WA 2.2%)	Decrease
		Discounted cash flows - constant prepayment rate	10% - 15% (WA 13.6%)	Increase/ Decrease
		Discounted cash flows - constant default rate	3%	Decrease
		Discounted cash flows - loss severity	95%	Decrease
Mortgage and other loan receivables	3,128	Discounted cash flows - discount spread	0.6% - 4.5% (WA 2.5%)	Decrease
Real assets	8,467	Discounted cash flows - discount rate	6.5% - 8.3% (WA 7.3%)	Decrease
		Discounted cash flows - terminal capitalization rate	5% - 7.3% (WA 5.8%)	Decrease
Reinsurance recoverable	953	Present value of expenses paid from the open block plus the cost of capital held in support of the liabilities.	The average expense assumption is between $8.2 and $78 per policy (WA $17.5), increased by inflation. The annual inflation rate was increased by 2.5%.	Increase
		Unobservable inputs are a market participant's view of the expenses, a risk margin on the uncertainty of the level of expenses, and a cost of capital on the capital held in support of the liabilities.	Expense Risk Margin: 9.4%	Decrease
			Cost of Capital: 3.7% - 13.9% (WA 9.8%)	Increase

As of March 31, 2025				
Level 3 assets(1)	**Level 3 assets (*$ in millions)***	**Valuation techniques and significant unobservable inputs**	**Range of significant unobservable inputs (weighted average, or "WA")**	**Impact of an increase in the input on fair value**
		Discounted cash flow - mortality rate	5.7%	Increase
		Discounted cash flow - surrender rate	2%	Increase

(1) The funds withheld receivable at interest has been excluded from the above table. As discussed in Note 8 – Reinsurance, the funds withheld receivable at interest is created through funds withheld contracts. The assets supporting these receivables were held in trusts for the benefit of the Company. Accordingly, the unobservable inputs utilized in the valuation of the embedded derivative are a component of the invested assets supporting the funds withheld reinsurance agreements.

As of December 31, 2024				
Level 3 assets(1)	**Level 3 assets (*$ in millions)***	**Valuation techniques and significant unobservable inputs**	**Range of significant unobservable inputs (WA)**	**Impact of an increase in the input on fair value**
Corporate fixed maturity securities	$ 15,804	Discounted cash flows - discount spread	0.2% - 5.2% (WA 2.8%)	Decrease
Structured securities	3,131	Discounted cash flows - discount spread	1.3% - 4.4% (WA 2.3%)	Decrease
		Discounted cash flows - constant prepayment rate	10% - 15% (WA 13.6%)	Increase/ Decrease
		Discounted cash flows - constant default rate	0% - 3% (WA 0.3%)	Decrease
		Discounted cash flows - loss severity	0% - 95% (WA 9.4%)	Decrease
Mortgage and other loan receivables	1,611	Discounted cash flows - discount spread	0.7% - 4.7% (WA 2.6%)	Decrease
Real assets	8,121	Discounted cash flows — discount rate	6.5% - 8.3% (WA 7.4%)	Decrease
		Discounted cash flows - terminal capitalization rate	5% - 7.3% (WA 5.8%)	Decrease
Reinsurance recoverable	941	Present value of expenses paid from the open block plus the cost of capital held in support of the liabilities.	The average expense assumption is between $8.2 and $78 per policy (WA $17.3), increased by inflation. The annual inflation rate was increased by 2.5%.	Increase
		Unobservable inputs are a market participant's view of the expenses, a risk margin on the uncertainty of the level of expenses, and a cost of capital on the capital held in support of the liabilities.	Expense risk margin: 9.4%	Decrease
			Cost of capital: 3.7% - 13.9% (WA 9.7%)	Increase
		Discounted cash flow - mortality rate	5.7%	Increase
		Discounted cash flow - surrender rate	2%	Increase

(1) The funds withheld receivable at interest has been excluded from the above table. As discussed in Note 8 – Reinsurance, the funds withheld receivable at interest is created through funds withheld contracts. The assets supporting these receivables were held in trusts for the benefit of the Company. Accordingly, the unobservable inputs utilized in the valuation of the embedded derivative are a component of the invested assets supporting the funds withheld reinsurance agreements.

As of March 31, 2025					
Level 3 liabilities[(1)]	**Level 3 liabilities *($ in millions)***		**Valuation techniques and significant unobservable inputs**	**Range of significant unobservable inputs (WA)**	**Impact of an increase in the input on fair value**
Policy liabilities	$	1,499	*Policy liabilities under fair value option:*		
			Present value of best estimate liability cash flows. Unobservable inputs include a market participant view of the risk margin included in the discount rate which reflects the variability of the cash flows.	Risk Margin Rate: 0.5% - 0.9% (WA 0.7%)	Decrease
			Policyholder behavior is also a significant unobservable input, including lapse, surrender and mortality.	Surrender Rate: 3.7% - 7.5% (WA 6.2%)	Decrease
				Mortality Rate: 3.5% - 9.2% (WA 4.9%)	Increase
			Market risk benefit:		
			10 and 30 year instrument-specific credit risk	0.7% / 0.8%	Decrease
			Policyholder behavior is also a significant unobservable input, including lapse, surrender, and mortality.	Mortality Rate: 0.6% - 28.5% (WA 2.6%)	Decrease
				Surrender Rate: 0.1% - 43.3% (WA 3.9%)	Decrease
Closed block policy liabilities		1,001	Present value of expenses paid from the open block plus the cost of capital held in support of the liabilities.	The average expense assumption is between $8.2 and $78 per policy (WA $17.5), increased by inflation. The annual inflation rate was increased by 2.5%.	Increase
			Instrument-specific credit risk	0.5% - 0.8% (WA 0.7%)	Decrease
			Unobservable inputs are a market participant's view of the expenses, a risk margin on the uncertainty of the level of expenses, and a cost of capital on the capital held in support of the liabilities.	Expense Risk Margin: 9.4%	Decrease
				Cost of Capital: 3.7% - 13.9% (WA 9.8%)	Increase
			Discounted cash flow - mortality rate	5.7%	Increase
			Discounted cash flow - surrender rate	2%	Increase

As of March 31, 2025				
Level 3 liabilities[1]	**Level 3 liabilities ($ in millions)**	**Valuation techniques and significant unobservable inputs**	**Range of significant unobservable inputs (WA)**	**Impact of an increase in the input on fair value**
Embedded derivative – interest-sensitive life products	414	Policy persistency is a significant unobservable input.	Lapse Rate: 3.1%	Decrease
			Mortality Rate: 0.9%	Decrease
		Future costs for options used to hedge the contract obligations	Option Budget Assumption: 3.6%	Increase
		Instrument-specific credit risk	0.5% - 0.8% (WA 0.7%)	Decrease
Embedded derivative – annuity products	5,521	Policyholder behavior is a significant unobservable input, including utilization and lapse.	Utilization: Fixed-Indexed Annuity WA 96.5%	Increase
			Surrender Rate: Retail FIA WA 13.8%; Institutional FIA WA 18.9%	Retail: Increase Institutional: Decrease
			Mortality Rate: Retail FIA WA 2.7%; Institutional FIA WA 1.9%	Retail: Decrease Institutional: Decrease
		Future costs for options used to hedge the contract obligations	Option Budget Assumption: Retail FIA WA 3.1%; Institutional FIA WA 3.7%	Retail: Increase Institutional: Increase
		Instrument-specific credit risk	0.5% - 0.8% (WA 0.7%)	Decrease

(1) The fair value of the embedded derivative component of the funds withheld interest payable at interest has been excluded from the above table. The investments supporting the funds withheld payable at interest balance are held in a trust by the Company. Accordingly, the unobservable inputs utilized in the valuation of the embedded derivative are a component of the investments supporting the reinsurance cession agreements.

As of December 31, 2024				
Level 3 liabilities[1]	**Level 3 liabilities ($ in millions)**	**Valuation techniques and significant unobservable inputs**	**Range of significant unobservable inputs (WA)**	**Impact of an increase in the input on fair value**
Policy liabilities	$ 1,280	*Policy liabilities under fair value option:*		
		Present value of best estimate liability cash flows. Unobservable inputs include a market participant view of the risk margin included in the discount rate which reflects the variability of the cash flows.	Risk margin rate: 0.4% - 0.8% (WA 0.6%)	Decrease
		Policyholder behavior is also a significant unobservable input, including lapse, surrender and mortality.	Surrender rate: 3.7% - 7.6% (WA 6.4%)	Decrease

As of December 31, 2024				
Level 3 liabilities[1]	Level 3 liabilities *($ in millions)*	Valuation techniques and significant unobservable inputs	Range of significant unobservable inputs (WA)	Impact of an increase in the input on fair value
			Mortality rate: 3.5% - 9.1% (WA 4.8%)	Increase
		Market risk benefit:		
		10 and 30 year instrument-specific credit risk	0.6% / 0.7%	Decrease
		Policyholder behavior is also a significant unobservable input, including lapse, surrender, and mortality.	Mortality rate: 0.6% - 28% (WA 2.6%)	Decrease
			Surrender rate: 0.1% - 39.5% (WA 4.1%)	Decrease
Closed block policy liabilities	988	Present value of expenses paid from the open block plus the cost of capital held in support of the liabilities.	The average expense assumption is between $8.2 and $78 per policy (WA $17.3), increased by inflation. The annual inflation rate was increased by 2.5%.	Increase
		Instrument-specific credit risk	0.4% - 0.7% (WA 0.6%)	Decrease
		Unobservable inputs are a market participant's view of the expenses, a risk margin on the uncertainty of the level of expenses, and a cost of capital on the capital held in support of the liabilities.	Expense risk margin: 9.4%	Decrease
			Cost of capital: 3.7% - 13.9% (WA 9.7%)	Increase
		Discounted cash flow - mortality rate	5.7%	Increase
		Discounted cash flow - surrender rate	2%	Increase
Embedded derivative – interest-sensitive life products	492	Policy persistency is a significant unobservable input.	Lapse rate: 3.2%	Decrease
			Mortality rate: 0.8%	Decrease
		Future costs for options used to hedge the contract obligations	Option budget assumption: 3.6%	Increase
		Instrument-specific credit risk	0.4% - 0.7% (WA 0.6%)	Decrease
Embedded derivative – annuity products	5,481	Policyholder behavior is a significant unobservable input, including utilization and lapse.	Utilization: Fixed-indexed annuity WA 96.5%	Increase
			Surrender rate: Retail FIA WA 13.9%; Institutional FIA WA 18.6%	Retail: Increase Institutional: Decrease
			Mortality rate: Retail FIA WA 2.7%; Institutional FIA WA 1.9%	Retail: Decrease Institutional: Decrease

As of December 31, 2024				
Level 3 liabilities(1)	Level 3 liabilities *($ in millions)*	Valuation techniques and significant unobservable inputs	Range of significant unobservable inputs (WA)	Impact of an increase in the input on fair value
		Future costs for options used to hedge the contract obligations	Option budget assumption: Retail FIA WA 3.1%; Institutional FIA WA 3.7%	Retail: Increase Institutional: Increase
		Instrument-specific credit risk	0.4% - 0.7% (WA 0.6%)	Decrease

(1) The fair value of the embedded derivative component of the funds withheld interest payable at interest has been excluded from the above table. The investments supporting the funds withheld payable at interest balance are held in a trust by the Company. Accordingly, the unobservable inputs utilized in the valuation of the embedded derivative are a component of the investments supporting the reinsurance cession agreements.

Transfers between levels

Overall, transfers into and out of Level 3 are attributable to a change in the observability of inputs. Assets and liabilities are transferred into Level 3 when a significant input cannot be corroborated with market observable data. This occurs when market activity decreases significantly and underlying inputs cannot be observed, current prices are not available, and when there are significant variances in quoted prices, thereby affecting transparency. Assets and liabilities are transferred out of Level 3 when circumstances change such that a significant input can be corroborated with market observable data. This may be due to a significant increase in market activity, a specific event, or one or more significant input(s) becoming observable.

The tables below set forth a summary of changes in the fair value of the Company's Level 3 assets and liabilities for the three months ended March 31, 2025, and 2024. The tables reflect gains and losses for the full year for all assets and liabilities categorized as Level 3 for the three months ended March 31, 2025, and 2024:

Three months ended March 31, 2025								
		Net realized and unrealized gains / losses included in					Total unrealized gains / losses included in	
($ in millions)	Beginning balance	Income	OCI	Net settlements / purchases	Transfers into / (out) of Level 3	Ending balance	Income(1)	OCI(1)
Assets:								
AFS fixed maturity securities:								
Corporate fixed maturity securities(2)	$ 13,803	$ 35	$ 101	$ 830	$ (5)	$ 14,764	$ —	$ 56
Structured securities(3)	2,318	3	15	190	(4)	2,522	—	11
Total AFS fixed maturity securities	**$ 16,121**	**$ 38**	**$ 116**	**$ 1,020**	**$ (9)**	**$ 17,286**	**$ —**	**$ 67**
Trading fixed maturity securities:								

Three months ended March 31, 2025								
		Net realized and unrealized gains / losses included in					Total unrealized gains / losses included in	
($ in millions)	Beginning balance	Income	OCI	Net settlements / purchases	Transfers into / (out) of Level 3	Ending balance	Income[1]	OCI[1]
Corporate fixed maturity securities[4]	2,002	(18)	—	352	(1)	2,335	(14)	—
Structured securities[5]	813	(13)	—	368	—	1,168	(14)	—
Total trading fixed maturity securities	**$ 2,815**	**$ (31)**	**$ —**	**$ 720**	**$ (1)**	**$ 3,503**	**$ (28)**	**$ —**
Mortgage and other loan receivables	1,611	21	—	1,496	—	3,128	7	—
Real assets	8,121	34	—	312	—	8,467	27	—
Other investments	104	3	—	32	—	139	3	—
Funds withheld receivable at interest	126	(24)	—	—	—	102	—	—
Reinsurance recoverable	941	17	—	(5)	—	953	—	—
Total assets	**$ 29,839**	**$ 58**	**$ 116**	**$ 3,575**	**$ (10)**	**$ 33,578**	**$ 9**	**$ 67**
Liabilities:								
Policy liabilities	$ 1,280	$ 220	$ (16)	$ 15	$ —	$ 1,499	$ —	$ —
Closed block policy liabilities	988	16	—	(3)	—	1,001	—	—
Funds withheld payable at interest	(2,797)	423	—	—	—	(2,374)	—	—
Embedded derivative – interest-sensitive life products	492	(36)	—	(42)	—	414	—	—
Embedded derivative – annuity products	5,481	(152)	—	192	—	5,521	—	—
Total liabilities	**$ 5,444**	**$ 471**	**$ (16)**	**$ 162**	**$ —**	**$ 6,061**	**$ —**	**$ —**

(1) As related to financial instruments still held as of the end of the period.

(2) Includes related party KKR AFS corporate fixed maturity securities of $5.0 billion.

(3) Includes related party KKR AFS structured securities of $10 million.

(4) Includes related party KKR trading corporate fixed maturity securities of $726 million.

(5) Includes related party KKR trading structured securities of $362 million.

	Three months ended March 31, 2024							
		Net realized and unrealized gains / losses included in					Total unrealized gains / losses included in	
($ in millions)	Beginning balance	Income	OCI	Net settlements / purchases	Transfers into / (out) of Level 3	Ending balance	Income[(1)]	OCI[(1)]
Assets:								
AFS fixed maturity securities:								
Corporate fixed maturity securities[(2)]	$ 11,106	$ (46)	$ 150	$ 874	$ —	$ 12,084	$ —	$ 150
Structured securities[(3)]	1,837	7	12	24	53	1,933	—	12
Total AFS fixed maturity securities	**$ 12,943**	**$ (39)**	**$ 162**	**$ 898**	**$ 53**	**$ 14,017**	**$ —**	**$ 162**
Trading fixed maturity securities:								
Corporate fixed maturity securities[(4)]	1,152	52	—	(284)	—	920	52	—
Structured securities[(5)]	646	10	—	(24)	92	724	11	—
Total trading fixed maturity securities	**$ 1,798**	**$ 62**	**$ —**	**$ (308)**	**$ 92**	**$ 1,644**	**$ 63**	**$ —**
Mortgage and other loan receivables	697	(4)	—	(6)	—	687	(4)	—
Real assets	4,815	(80)	—	38	—	4,773	(78)	—
Other investments	127	—	—	13	—	140	—	—
Funds withheld receivable at interest	89	25	—	—	—	114	—	—
Reinsurance recoverable	926	52	—	(12)	—	966	—	—
Total assets	**$ 21,395**	**$ 16**	**$ 162**	**$ 623**	**$ 145**	**$ 22,341**	**$ (19)**	**$ 162**
Liabilities:								
Policy liabilities	$ 1,475	$ (142)	$ 5	$ —	$ —	$ 1,338	$ —	$ —
Closed block policy liabilities	969	39	(1)	(1)	—	1,006	—	—
Funds withheld payable at interest	(2,447)	(96)	—	—	—	(2,543)	—	—
Embedded derivative – interest-sensitive life products	458	52	—	(24)	—	486	—	—
Embedded derivative – annuity products	3,587	205	—	259	—	4,051	—	—
Total liabilities	**$ 4,042**	**$ 58**	**$ 4**	**$ 234**	**$ —**	**$ 4,338**	**$ —**	**$ —**

(1) As related to financial instruments still held as of the end of the period.

(2) Includes related party KKR AFS corporate fixed maturity securities of $4.1 billion.

(3) Includes related party KKR AFS structured securities of $9 million.

(4) Includes related party KKR trading corporate fixed maturity securities of $542 million.

(5) Includes related party KKR trading structured securities of $53 million.

Three months ended March 31, 2025	Purchases	Issuances	Sales	Settlements	Net settlements / purchases
($ in millions)					
Assets:					
AFS fixed maturity securities:					
Corporate fixed maturity securities[1]	$ 2,407	$ —	$ (51)	$ (1,526)	$ 830
Structured securities[3]	440	—	(65)	(185)	190
Total AFS fixed maturity securities	**$ 2,847**	**$ —**	**$ (116)**	**$ (1,711)**	**$ 1,020**
Trading fixed maturity securities:					
Corporate fixed maturity securities[2]	542	—	(173)	(17)	352
Structured securities[4]	406	—	(6)	(32)	368
Total trading fixed maturity securities	**$ 948**	**$ —**	**$ (179)**	**$ (49)**	**$ 720**
Mortgage and other loan receivables	1,550	—	—	(54)	1,496
Real assets	319	—	(7)	—	312
Other investments	32	—	—	—	32
Reinsurance recoverable	—	—	—	(5)	(5)
Total assets	**$ 5,696**	**$ —**	**$ (302)**	**$ (1,819)**	**$ 3,575**
Liabilities:					
Policy liabilities	$ —	$ 19	$ —	$ (4)	$ 15
Closed block policy liabilities	—	—	—	(3)	(3)
Embedded derivative – interest-sensitive life products	—	—	—	(42)	(42)
Embedded derivative – annuity products	—	262	—	(70)	192
Total liabilities	**$ —**	**$ 281**	**$ —**	**$ (119)**	**$ 162**

(1) Includes related party KKR AFS corporate fixed maturity securities with net purchases of $363 million.

(2) Includes related party KKR trading corporate fixed maturity securities with net purchases of $39 million.

(3) Includes related party KKR AFS structured securities with net purchases of $(2) million.

(4) Includes related party KKR trading structured securities with net purchases of $321 million.

Three months ended March 31, 2024 ($ in millions)	Purchases	Issuances	Sales	Settlements	Net settlements / purchases
Assets:					
AFS fixed maturity securities:					
Corporate fixed maturity securities[1]	$ 2,825	$ —	$ (169)	$ (1,782)	$ 874
Structured securities	91	—	(2)	(65)	24
Total AFS fixed maturity securities	**$ 2,916**	**$ —**	**$ (171)**	**$ (1,847)**	**$ 898**
Trading fixed maturity securities:					
Corporate fixed maturity securities[2]	108	—	(54)	(338)	(284)
Structured securities	—	—	(6)	(18)	(24)
Total trading fixed maturity securities	**$ 108**	**$ —**	**$ (60)**	**$ (356)**	**$ (308)**
Mortgage and other loan receivables	2	—	—	(8)	(6)
Real assets	42	—	(4)	—	38
Other investments	13	—	—	—	13
Reinsurance recoverable	—	—	—	(12)	(12)
Total assets	**$ 3,081**	**$ —**	**$ (235)**	**$ (2,223)**	**$ 623**
Liabilities:					
Policy liabilities	$ —	$ 3	$ —	$ (3)	$ —
Closed block policy liabilities	—	—	—	(1)	(1)
Embedded derivative – interest-sensitive life products	—	—	—	(24)	(24)
Embedded derivative – annuity products	—	318	—	(59)	259
Total liabilities	**$ —**	**$ 321**	**$ —**	**$ (87)**	**$ 234**

(1) Includes related party KKR AFS corporate fixed maturity securities with net purchases of $1.4 billion.

(2) Includes related party KKR trading corporate fixed maturity securities with net purchases of $35 million.

Fair-value option

The following table summarizes financial instruments for which the fair value option has been elected:

($ in millions)	March 31, 2025		December 31, 2024	
Assets				
Fixed maturity securities	$	522	$	100
Mortgage and other loan receivables		3,128		1,611
Real assets		743		473
Other investments		700		48
Reinsurance recoverable		953		941
Total assets	**$**	**6,046**	**$**	**3,173**
Liabilities				
Policy liabilities	$	1,293	$	1,266
Total liabilities	**$**	**1,293**	**$**	**1,266**

The following table summarizes the net realized and unrealized gains and losses recognized on financial instruments for which the fair value option has been elected:

	Three months ended March 31, 2025						Three months ended March 31, 2024					
($ in millions)	Net Realized Gains (Losses)		Net Unrealized Gains (Losses)		Total		Net Realized Gains (Losses)		Net Unrealized Gains (Losses)		Total	
Assets												
Fixed maturity securities	$	1	$	(32)	$	(31)	$	—	$	—	$	—
Mortgage and other loan receivables		—		14		14		—		(4)		(4)
Real assets		—		20		20		—		(40)		(40)
Other investments		—		(11)		(11)		—		—		—
Total assets	**$**	**1**	**$**	**(9)**	**$**	**(8)**	**$**	**—**	**$**	**(44)**	**$**	**(44)**
Liabilities												
Policy liabilities	$	—	$	(18)	$	(18)	$	—	$	41	$	41
Total liabilities	**$**	**—**	**$**	**(18)**	**$**	**(18)**	**$**	**—**	**$**	**41**	**$**	**41**

6. Insurance intangibles, unearned revenue reserves, and unearned front-end loads

The following reflects the reconciliation of the components of insurance intangibles to the total balance reported in the consolidated balance sheets as of March 31, 2025, and December 31, 2024:

($ in millions)	March 31, 2025	December 31, 2024
Deferred acquisition costs, or "DAC"	$ 1,887	$ 1,731
Value of business acquired	1,144	1,165
Cost-of-reinsurance intangibles	2,273	2,303
Total insurance intangibles	**$ 5,304**	**$ 5,199**

Deferred acquisition costs

The following tables reflect the deferred acquisition costs roll-forward by product category for the three months ended March 31, 2025, and 2024:

	Three March 31, 2025				
($ in millions)	Fixed rate annuities	Fixed indexed annuities	Interest sensitive life	Other	Total
Balance, as of the beginning of the period	**$ 464**	**$ 787**	**$ 131**	**$ 349**	**$ 1,731**
Capitalizations	58	79	2	91	230
Amortization expense	(30)	(33)	(2)	(9)	(74)
Balance, as of the end of the period	**$ 492**	**$ 833**	**$ 131**	**$ 431**	**$ 1,887**

	Three months ended March 31, 2024				
($ in millions)	Fixed rate annuities	Fixed indexed annuities	Interest sensitive life	Other	Total
Balance, as of the beginning of the period	**$ 374**	**$ 482**	**$ 132**	**$ 167**	**$ 1,155**
Capitalizations	75	58	3	20	156
Amortization expense	(24)	(20)	(2)	(4)	(50)
Balance, as of the end of the period	**$ 425**	**$ 520**	**$ 133**	**$ 183**	**$ 1,261**

Value of business acquired

The following tables reflect the value of business acquired, or "VOBA" asset roll-forward by product category for the three months ended March 31, 2025, and 2024:

	Three March 31, 2025					
($ in millions)	**Fixed rate annuities**	**Fixed indexed annuities**	**Variable annuities**	**Interest sensitive life**	**Other**	**Total**
Balance, as of the beginning of the period	**$ 41**	**$ 578**	**$ 224**	**$ 249**	**$ 73**	**$ 1,165**
Amortization expense	(1)	(11)	(5)	(3)	(1)	(21)
Balance, as of the end of the period	**$ 40**	**$ 567**	**$ 219**	**$ 246**	**$ 72**	**$ 1,144**

	Three months ended March 31, 2024					
($ in millions)	**Fixed rate annuities**	**Fixed indexed annuities**	**Variable annuities**	**Interest sensitive life**	**Other**	**Total**
Balance, as of the beginning of the period	**$ 45**	**$ 621**	**$ 245**	**$ 263**	**$ 79**	**$ 1,253**
Amortization expense	(1)	(11)	(5)	(3)	(2)	(22)
Balance, as of the end of the period	**$ 44**	**$ 610**	**$ 240**	**$ 260**	**$ 77**	**$ 1,231**

The following tables reflect the negative value of business acquired, or "negative VOBA" liability roll-forward by product category for the three months ended March 31, 2025, and 2024:

	Three March 31, 2025					
($ in millions)	**Fixed rate annuities**	**Fixed indexed annuities**	**Variable annuities**	**Interest sensitive life**	**Other**	**Total**
Balance, as of the beginning of the period	**$ 44**	**$ 76**	**$ 86**	**$ 393**	**$ 167**	**$ 766**
Amortization expense	(4)	(6)	(1)	(8)	(4)	(23)
Balance, as of the end of the period	**$ 40**	**$ 70**	**$ 85**	**$ 385**	**$ 163**	**$ 743**

	Three months ended March 31, 2024					
($ in millions)	**Fixed rate annuities**	**Fixed indexed annuities**	**Variable annuities**	**Interest sensitive life**	**Other**	**Total**
Balance, as of the beginning of the period	**$ 66**	**$ 107**	**$ 92**	**$ 422**	**$ 181**	**$ 868**
Amortization expense	(7)	(9)	(2)	(10)	(2)	(30)
Balance, as of the end of the period	**$ 59**	**$ 98**	**$ 90**	**$ 412**	**$ 179**	**$ 838**

Unearned revenue reserves and unearned front-end loads

	Three months ended March 31,	
	2025	2024
	Preneed	
($ in millions)		
Balance, as of the beginning of the period	**$ 230**	**$ 178**
Deferral	17	17
Amortized to income during the period	(5)	(4)
Balance, as of the end of the period	**$ 242**	**$ 191**

7. Policy liabilities

The following reflects the reconciliation of the components of policy liabilities to the total balance reported in the consolidated balance sheets as of March 31, 2025, and December 31, 2024:

	March 31, 2025	December 31, 2024
($ in millions)		
Policyholders' account balances	$ 140,342	$ 137,882
Liability for future policy benefits	27,028	26,795
Additional liability for annuitization, death, or other insurance benefits	7,593	7,492
Market risk benefit liability	1,206	1,002
Other policy-related liabilities[1]	12,245	12,034
Total policy liabilities	**$ 188,414**	**$ 185,205**

(1) Other policy-related liabilities as of March 31, 2025, and December 31, 2024 primarily consist of embedded derivatives associated with contractholder deposit funds ($5.9 billion and $6.0 billion, respectively), cost-of-reinsurance liabilities ($3.2 billion and $3.1 billion, respectively), policy liabilities accounted under a fair value option (both $1.2 billion), negative VOBA ($743 million and $766 million, respectively) and outstanding claims ($353 million and $304 million, respectively).

Policyholders' account balances

The following reflects the policyholders' account balances roll-forward for the three months ended March 31, 2025, and 2024, and the policyholders' account balances weighted average interest rates, net amount at risk, and cash surrender value as of those dates:

($ in millions)	Three March 31, 2025					
	Fixed rate annuities	Fixed indexed annuities	Interest sensitive life	Funding agreements	Other[1]	Total
Balance as of beginning of period	**$ 65,087**	**$ 33,719**	**$ 22,175**	**$ 7,157**	**$ 9,744**	**$ 137,882**
Issuances and premiums received	3,189	1,520	297	1,168	84	6,258
Benefit payments, surrenders, and withdrawals	(2,507)	(1,117)	(475)	(398)	(346)	(4,843)
Interest[2]	661	233	182	82	87	1,245
Other activity[3]	(69)	2	(209)	49	27	(200)
Balance as of end of period	**$ 66,361**	**$ 34,357**	**$ 21,970**	**$ 8,058**	**$ 9,596**	**$ 140,342**
Less: reinsurance recoverable	(11,631)	(3,013)	(7,485)	—	(3,463)	(25,592)
Balance as of end of period, net of reinsurance recoverable	**$ 54,730**	**$ 31,344**	**$ 14,485**	**$ 8,058**	**$ 6,133**	**$ 114,750**
Average interest rate	4.18 %	2.79 %	3.30 %	4.31 %	3.31 %	3.65 %
Net amount at risk, gross of reinsurance[4]	$ —	$ —	$ 110,149	$ —	$ 1,132	$ 111,281
Cash surrender value[5]	$ 51,630	$ 34,872	$ 13,867	$ —	$ 4,425	$ 104,794

(1) "Other" consists of activity related to payout annuities without life contingencies, preneed, variable annuities, and life products.

(2) Interest includes interest credited to policyholders' account values, and interest accreted in other components of the policyholder account balance, including investment-type contract values, host amounts for contractholder deposits with embedded derivatives, funding agreements, and other associated reserves.

(3) "Other activity" includes policy charges, fees and commissions, transfers, assumption changes, fair value changes, and the impact of hedge fair value adjustments.

(4) Net amount at risk represents the difference between the face value of the insurance policy and the reserve accumulated under that same policy.

(5) Cash surrender values are reported net of any applicable surrender charges, net of reinsurance.

($ in millions)	Three months ended March 31, 2024					
	Fixed rate annuities	Fixed indexed annuities	Interest sensitive life	Funding agreements	Other[1]	Total
Balance as of beginning of period	**$ 56,763**	**$ 30,168**	**$ 21,968**	**$ 7,015**	**$ 9,273**	**$ 125,187**
Issuances and premiums received	4,784	1,549	312	696	1,339	8,680
Benefit payments, surrenders, and withdrawals	(2,879)	(1,294)	(306)	(68)	(412)	(4,959)
Interest[2]	499	165	177	70	74	985
Other activity[3]	(103)	26	(305)	(22)	20	(384)
Balance as of end of period	**$ 59,064**	**$ 30,614**	**$ 21,846**	**$ 7,691**	**$ 10,294**	**$ 129,509**
Less: reinsurance recoverable	(10,557)	(3,189)	(7,160)	—	(3,830)	(24,736)
Balance as of end of period, net of reinsurance recoverable	**$ 48,507**	**$ 27,425**	**$ 14,686**	**$ 7,691**	**$ 6,464**	**$ 104,773**
Average interest rate	3.58 %	2.30 %	3.22 %	3.80 %	3.47 %	3.15 %
Net amount at risk, gross of reinsurance[4]	$ —	$ —	$ 117,009	$ —	$ 1,162	$ 118,171
Cash surrender value[5]	$ 45,613	$ 29,314	$ 13,827	$ —	$ 4,604	$ 93,358

(1) "Other" consists of activity related to payout annuities without life contingencies, preneed, variable annuities, and life products.

(2) Interest includes interest credited to policyholders' account values, and interest accreted in other components of the policyholder account balance, including investment-type contract values, host amounts for contractholder deposits with embedded derivatives, funding agreements, and other associated reserves.

(3) "Other activity" includes policy charges, fees and commissions, transfers, assumption changes, fair value changes, and the impact of hedge fair value adjustments.

(4) Net amount at risk represents the difference between the face value of the insurance policy, and the reserve accumulated under that same policy.

(5) Cash surrender values are reported net of any applicable surrender charges, net of reinsurance.

The following table presents the account values by range of guaranteed minimum crediting rates and the related range of differences, in basis points, between rates being credited to policyholders and the respective guaranteed minimums. Account values, as disclosed below, differ from policyholder account balances as they exclude balances associated with index credits, contractholder deposit fund host balances, funding agreements, and other associated reserves. In addition, policyholder account balances include discounts and premiums on assumed business which are not reflected in account values.

Range of guaranteed minimum crediting rates:	As of March 31, 2025 — Account values with adjustable crediting rates subject to guaranteed minimums: At guaranteed minimum	1 - 49 bps above guaranteed minimum	50 - 99 bps above guaranteed minimum	100 - 150 bps above guaranteed minimum	Greater than 150 bps above guaranteed minimum	Total
	($ in millions, except for percentages)					
Less than 1.00%	$ 2,861	$ 41	$ 360	$ 547	$ 33,351	$ 37,160
1.00% - 1.99%	1,267	643	776	1,821	11,322	15,829
2.00% - 2.99%	783	34	55	99	4,615	5,586
3.00% - 4.00%	10,703	1,360	432	1,341	1,780	15,616
Greater than 4.00%	12,023	1,341	65	7	—	13,436
Total	**$ 27,637**	**$ 3,419**	**$ 1,688**	**$ 3,815**	**$ 51,068**	**$ 87,627**
Percentage of total	32 %	4 %	2 %	4 %	58 %	100 %

Range of guaranteed minimum crediting rates:	As of December 31, 2024 — Account values with adjustable crediting rates subject to guaranteed minimums: At guaranteed minimum	1 - 49 bps above guaranteed minimum	50 - 99 bps above guaranteed minimum	100 - 150 bps above guaranteed minimum	Greater than 150 bps above guaranteed minimum	Total
	($ in millions, except for percentages)					
Less than 1.00%	$ 3,479	$ 36	$ 357	$ 741	$ 32,675	$ 37,288
1.00% - 1.99%	1,305	739	805	1,867	10,903	15,619
2.00% - 2.99%	769	37	57	697	3,672	5,232
3.00% - 4.00%	10,303	1,619	475	1,254	1,478	15,129
Greater than 4.00%	11,786	1,354	77	7	—	13,224
Total	**$ 27,642**	**$ 3,785**	**$ 1,771**	**$ 4,566**	**$ 48,728**	**$ 86,492**
Percentage of total	32 %	4 %	2 %	5 %	57 %	100 %

Liability for future policy benefits

The following tables summarize the balances of, and changes in, the liability for future policy benefits for traditional and limited-payment contracts for the three months ended March 31, 2025, and 2024:

	Three months ended					
	March 31, 2025			March 31, 2024		
($ in millions)	Payout annuities(1)	Other(2)	Total	Payout annuities(1)	Other(2)	Total
Present value of expected net premiums						
Balance as of beginning of period	**$ —**	**$ (1,399)**	**$ (1,399)**	**$ —**	**$ (207)**	**$ (207)**
Balance at original discount rate	**$ —**	**$ (1,444)**	**$ (1,444)**	**$ —**	**$ (240)**	**$ (240)**
Effect of actual variances from expected experience	—	(110)	(110)	—	2	2
Adjusted beginning of period balance	**—**	**(1,554)**	**(1,554)**	**—**	**(238)**	**(238)**
Issuances	—	(102)	(102)	—	(1,139)	(1,139)
Interest	—	(18)	(18)	—	(1)	(1)
Net premiums collected	—	110	110	—	8	8
Ending balance at original discount rate	**—**	**(1,564)**	**(1,564)**	**—**	**(1,370)**	**(1,370)**
Effect of changes in discount rate assumptions	—	29	29	—	37	37
Balance as of end of period	**$ —**	**$ (1,535)**	**$ (1,535)**	**$ —**	**$ (1,333)**	**$ (1,333)**
Present value of expected future policy benefits						
Balance as of beginning of period	**$ 19,067**	**$ 9,127**	**$ 28,194**	**$ 17,426**	**$ 605**	**$ 18,031**
Balance at original discount rate	**$ 22,116**	**$ 9,337**	**$ 31,453**	**$ 20,039**	**$ 702**	**$ 20,741**
Effect of actual variances from expected experience	(2)	(32)	(34)	(5)	(4)	(9)
Adjusted beginning of period balance	**$ 22,114**	**$ 9,305**	**$ 31,419**	**$ 20,034**	**$ 698**	**$ 20,732**
Issuances	$ 359	$ 102	$ 461	$ 521	$ 8,829	$ 9,350
Interest	181	114	295	145	2	147
Benefit payments	(488)	(221)	(709)	(443)	(17)	(460)
Ending balance at original discount rate	**$ 22,166**	**$ 9,300**	**$ 31,466**	**$ 20,257**	**$ 9,512**	**$ 29,769**
Effect of changes in discount rate assumptions	(2,788)	(115)	(2,903)	(2,933)	(92)	(3,025)
Balance as of end of period	**$ 19,378**	**$ 9,185**	**$ 28,563**	**$ 17,324**	**$ 9,420**	**$ 26,744**
Net liability for future policy benefits	**$ 19,378**	**$ 7,650**	**$ 27,028**	**$ 17,324**	**$ 8,087**	**$ 25,411**
Less: reinsurance recoverable(3)	(9,626)	(6,125)	(15,751)	(9,185)	(6,395)	(15,580)
Net liability for future policy benefits, net of reinsurance recoverables	**$ 9,752**	**$ 1,525**	**$ 11,277**	**$ 8,139**	**$ 1,692**	**$ 9,831**

(1) Payout annuities generally only have a single premium received at contract inception. As a result, the liability for future policy benefits generally would not reflect a present value for future premiums for payout annuities.

(2) "Other" consists of activity related to long-term care insurance, variable annuities, traditional life insurance, preneed insurance, and fixed-rate annuity products. Mortality and morbidity risks associated with the long-term care insurance have been ceded to a third-party reinsurer.

(3) Reinsurance recoverables associated with the liability for future policy benefits is net of the effect of changes in discount rate assumptions of $156 million and $(141) million for the three months ended March 31, 2025, and 2024, respectively.

The following table summarizes the amount of gross premiums related to traditional and limited-payment contracts recognized in the consolidated statements of income for the three months ended March 31, 2025, and 2024:

	Gross premiums	
	Three months ended March 31,	
	2025	2024
($ in millions)		
Payout annuities	$ 395	$ 583
Other	192	8,547
Total products	**$ 587**	**$ 9,130**

The following table reflects the weighted-average duration and weighted-average interest rates of the future policy benefit liability as of March 31, 2025, and December 31, 2024:

	As of March 31, 2025	
	Payout annuities	Other
Weighted-average interest rates, original discount rate	3.87 %	4.92 %
Weighted-average interest rates, current discount rate	5.31 %	5.41 %
Weighted-average liability duration (years, current rates)	8.38	9.22

	As of December 31, 2024	
	Payout annuities	Other
Weighted-average interest rates, original discount rate	3.81 %	4.89 %
Weighted-average interest rates, current discount rate	5.44 %	5.51 %
Weighted-average liability duration (years, current rates)	8.45	9.46

Notes to the consolidated financial statements (unaudited)

The following reflects the undiscounted ending balance of expected future gross premiums and expected future benefits and payments for traditional and limited-payment contracts as of March 31, 2025, and December 31, 2024:

	As of March 31, 2025	
($ in millions)	Payout annuities	Other
Expected future benefit payments, undiscounted	$ 33,817	$ 16,265
Expected future benefit payments, discounted (original discount rate)	22,166	9,300
Expected future benefit payments, discounted (current discount rate)	19,378	9,185
Expected future gross premiums, undiscounted	—	2,281
Expected future gross premiums, discounted (original discount rate)	—	1,776
Expected future gross premiums, discounted (current discount rate)	—	1,733

	As of December 31, 2024	
($ in millions)	Payout annuities	Other
Expected future benefit payments, undiscounted	$ 33,415	$ 16,509
Expected future benefit payments, discounted (original discount rate)	22,116	9,337
Expected future benefit payments, discounted (current discount rate)	19,067	9,127
Expected future gross premiums, undiscounted	—	2,073
Expected future gross premiums, discounted (original discount rate)	—	1,614
Expected future gross premiums, discounted (current discount rate)	—	1,568

Additional liability for annuitization, death, or other insurance benefits

The following tables reflect the additional liability for annuitization, death, or other insurance benefits roll-forward for the three months ended March 31, 2025, and 2024:

	Three months ended	
	March 31, 2025	March 31, 2024
($ in millions)		
Balance as of beginning of period	**$ 7,630**	**$ 7,251**
Effect of changes in experience	(65)	(28)
Adjusted balance as of beginning of period	**7,565**	**7,223**
Issuances	5	6
Assessments	174	175
Benefits paid	(140)	(137)
Interest	63	59
Balance as of end of period	**7,667**	**7,326**
Less: impact of unrealized investment gains and losses	74	113
Less: reinsurance recoverable, end of period	1,629	1,460
Balance, end of period, net of reinsurance recoverable and impact of unrealized investment gains and losses	**$ 5,964**	**$ 5,753**

The additional liability for annuitization, death, or other insurance benefits relates primarily to secondary guarantees on certain interest-sensitive life products, and preneed insurance.

The following reflects the amount of gross assessments recognized for the additional liability for annuitization, death, or other insurance benefits in the consolidated statements of income for the three months ended March 31, 2025, and 2024:

	Gross assessments	
	Three months ended March 31,	
	2025	2024
($ in millions)		
Total amount recognized within revenue in the consolidated statements of income	$ 139	$ 169

The following reflects the weighted average duration and weighted average interest rate for the additional liability for annuitization, death, or other insurance benefits as of March 31, 2025, and December 31, 2024:

	As of	
	March 31, 2025	December 31, 2024
Weighted-average interest, current discount rate	3.29 %	3.29 %
Weighted-average liability duration (years)	26.13	26.51

Market risk benefits

The following table presents the balances of, and changes in, market risk benefits:

	Three months ended					
	March 31, 2025			March 31, 2024		
($ in millions, except for percentages and policyholder information)	**Fixed-indexed annuity**	**Variable- and other annuities**	**Total**	**Fixed-indexed annuity**	**Variable- and other annuities**	**Total**
Balance as of beginning of period	**$ 816**	**$ 184**	**$ 1,000**	**$ 870**	**$ 251**	**$ 1,121**
Balance as of beginning of period, before impact of changes in instrument-specific credit risk	**$ 717**	**$ 150**	**$ 867**	**$ 792**	**$ 224**	**$ 1,016**
Issuances	19	—	19	3	—	3
Interest	9	2	11	11	3	14
Attributed fees collected	25	22	47	25	22	47
Benefit payments	(2)	(2)	(4)	(2)	(2)	(4)
Effect of changes in interest rates	54	27	81	(68)	(41)	(109)
Effect of changes in equity markets	4	13	17	(13)	(43)	(56)
Effect of actual experience different from assumptions	9	(3)	6	6	(4)	2
Effect of changes in other future expected assumptions	44	—	44	—	—	—
Balance as of end of period before impact of changes in instrument-specific credit risk	**879**	**209**	**1,088**	**754**	**159**	**913**
Effect of changes in instrument-specific credit risk	87	31	118	83	27	110
Balance as of end of period	**966**	**240**	**1,206**	**837**	**186**	**1,023**
Less: reinsurance recoverable as of the end of the period	—	(12)	(12)	—	(13)	(13)
Balance as of end of period, net of reinsurance recoverable	**$ 966**	**$ 228**	**$ 1,194**	**$ 837**	**$ 173**	**$ 1,010**
Net amount at risk	$ 4,817	$ 1,369	$ 6,186	$ 4,357	$ 1,289	$ 5,646
Weighted-average attained age of contract holders (years)	71	70	71	70	69	70

The following reflects the reconciliation of the market risk benefits reflected in the preceding table to the amounts reported in an asset and liability position, respectively, in the consolidated balance sheets as of March 31, 2025, and December 31, 2024:

	As of March 31, 2025			As of December 31, 2024		
	Asset	**Liability**	**Net**	**Asset**	**Liability**	**Net**
($ in millions)						
Fixed-indexed annuities	$ —	$ 966	$ (966)	$ 2	$ 818	$ (816)
Variable- and other annuities	—	240	(240)	—	184	(184)
Total	**$ —**	**$ 1,206**	**$ (1,206)**	**$ 2**	**$ 1,002**	**$ (1,000)**

Significant inputs, judgments, and assumptions used in measuring market risk benefits

Significant policyholder behavior and other assumption inputs to the calculation of the market risk benefits include interest rates, instrument-specific credit risk, mortality rates, surrender rates, and utilization rates. Global Atlantic reviews its assumptions at least annually, and more frequently if necessary. Accordingly, as part of the review conducted during the three months ended March 31, 2025, assumptions for fixed-indexed annuities activations were updated, which resulted in a $44 million decrease to net income before taxes.

Separate account liabilities

Separate account assets and liabilities consist of investment accounts established and maintained by the Company for certain variable annuity and interest-sensitive life insurance contracts. Some of these contracts include minimum guarantees such as GMDBs and GMWBs that guarantee a minimum payment to the policyholder.

The assets that support these variable annuity and interest-sensitive life insurance contracts are measured at fair value and are reported as separate account assets on the consolidated balance sheet. An equivalent amount is reported as separate account liabilities. Market risk benefit assets and liabilities for minimum guarantees are valued and presented separately from separate account assets and separate account liabilities. For more information on market risk benefits see “–Market risk benefits” in this footnote. Policy charges assessed against the policyholders for mortality, administration, and other services are included in “Policy fees” in the consolidated statements of income.

The following table presents the balances of, and changes in, separate account liabilities:

	March 31, 2025			March 31, 2024		
($ in millions)	Variable annuities	Interest-sensitive life	Total	Variable annuities	Interest-sensitive life	Total
Balance as of beginning of period	**$ 3,401**	**$ 580**	**$ 3,981**	**$ 3,565**	**$ 542**	**$ 4,107**
Premiums and deposits	7	3	10	7	3	10
Surrenders, withdrawals, and benefit payments	(136)	(4)	(140)	(135)	(5)	(140)
Investment performance	(62)	(14)	(76)	241	45	286
Other	(26)	(10)	(36)	(28)	(12)	(40)
Balance as of end of period	**$ 3,184**	**$ 555**	**$ 3,739**	**$ 3,650**	**$ 573**	**$ 4,223**
Cash surrender value as of end of period[(1)]	$ 3,184	$ 555	$ 3,739	$ 3,650	$ 573	$ 4,223

(1) Cash surrender value attributed to the separate accounts does not reflect the impact of surrender charges; surrender charges are attributed to policyholder account balances recorded in the general account.

The following table presents the aggregate fair value of assets, by major investment asset type, supporting separate accounts:

($ in millions)	March 31, 2025	December 31, 2024
Asset type:		
Managed volatility equity/fixed income blended fund	$ 1,816	$ 1,931
Equity	1,567	1,686
Fixed income	143	146
Money market	212	217
Alternative	1	1
Total assets supporting separate account liabilities	**$ 3,739**	**$ 3,981**

8. Reinsurance

The Company maintains a number of reinsurance treaties with third parties whereby the Company assumes annuity and life policies on a coinsurance, modified coinsurance or funds withheld basis. The Company also maintains other reinsurance treaties including the cession of certain annuity, life, and health policies.

The effects of all reinsurance agreements on the consolidated balance sheets were as follows:

($ in millions)	March 31, 2025	December 31, 2024
Policy liabilities:		
Direct	$ 87,145	$ 84,062
Assumed	101,269	101,143
Total policy liabilities	**188,414**	**185,205**
Ceded[1]	(45,012)	(45,006)
Net policy liabilities	**$ 143,402**	**$ 140,199**

(1) Reported within reinsurance recoverable within the consolidated balance sheets.

A key credit quality indicator is a counterparty's A.M. Best financial strength rating. A.M. Best ratings are an independent opinion of a reinsurer's ability to meet ongoing obligations to policyholders. The Company mitigates counterparty credit risk by requiring collateral and credit enhancements in various forms including engaging in funds withheld at interest and modified coinsurance transactions. The following shows the amortized cost basis of the Company's reinsurance recoverable and funds withheld receivable at interest by credit quality indicator and any associated credit enhancements the Company has obtained to mitigate counterparty credit risk:

A.M. Best Rating[(1)]	As of March 31, 2025			As of December 31, 2024		
	Reinsurance recoverable and funds withheld receivable at interest	Credit enhancements[(2)]	Net reinsurance credit exposure[(3)]	Reinsurance recoverable and funds withheld receivable at interest	Credit enhancements[(2)]	Net reinsurance credit exposure[(3)]
($ in millions)						
A++	$ 83	$ —	$ 83	$ 27	$ —	$ 27
A+	1,719	—	1,719	1,732	—	1,732
A	2,130	—	2,130	2,144	—	2,144
A-	3,847	3,402	445	3,926	3,478	448
B++	1	—	1	1	—	1
B+	—	—	—	—	—	—
B	—	—	—	—	—	—
B-	—	—	—	—	—	—
Not rated or private rating[(4)]	40,017	40,853	—	39,979	40,484	—
Total	**$ 47,797**	**$ 44,255**	**$ 4,378**	**$ 47,809**	**$ 43,962**	**$ 4,352**

(1) Ratings are periodically updated (at least annually) as A.M. Best issues new ratings.

(2) Credit enhancements primarily include funds withheld payable at interest.

(3) Includes credit loss allowance of $22 million and $16 million as of March 31, 2025, and December 31, 2024, respectively, held against reinsurance recoverable and funds withheld receivable at interest.

(4) Includes $40 billion as of both March 31, 2025, and December 31, 2024, respectively, associated with cessions to co-investment vehicles (the "Ivy and other co-investment vehicles") that participate in qualifying reinsurance transactions sourced by Global Atlantic.

As of both March 31, 2025, and December 31, 2024, the Company had $2.5 billion of funds withheld receivable at interest, with six counterparties related to modified coinsurance and funds withheld contracts. The assets supporting the funds withheld receivable at interest balance are held in trusts for the benefit of the Company.

The effects of reinsurance on the consolidated statements of income were as follows:

	Three months ended March 31,	
	2025	2024
($ in millions)		
Premiums:		
Direct	$ 212	$ 35
Assumed	387	9,110
Ceded	(276)	(3,108)
Net premiums	**$ 323**	**$ 6,037**

	Three months ended March 31,	
	2025	2024
($ in millions)		
Policy fees:		
Direct	$ 226	$ 226
Assumed	273	174
Ceded	(161)	(71)
Net policy fees	**$ 338**	**$ 329**

	Three months ended March 31,	
	2025	2024
($ in millions)		
Policy benefits and claims:		
Direct	$ 1,027	$ 845
Assumed	1,538	9,900
Ceded	(857)	(3,484)
Net policy benefits and claims	**$ 1,708**	**$ 7,261**

The Company holds collateral for, and provides collateral to, our reinsurance clients. The Company held $46.5 billion and $46.6 billion of collateral in the form of funds withheld payable at interest on behalf of our reinsurers as of March 31, 2025, and December 31, 2024, respectively. As of both March 31, 2025, and December 31, 2024, reinsurers held collateral of $1.1 billion on behalf of the Company. A significant portion of the collateral that the Company provides to its reinsurance clients is provided in the form of assets held in a trust for the benefit of the counterparty. As of March 31, 2025, and December 31, 2024, these trusts held in excess of the $100.4 billion and $100.2 billion of assets they are required to hold in order to support reserves of $97.1 billion and $96.9 billion, respectively. Of the cash held in trust, the Company classified $105 million and $186 million as restricted as of March 31, 2025, and December 31, 2024, respectively.

9. Debt

Debt was comprised of the following:

	March 31, 2025		December 31, 2024	
	Amount	Rate	Amount	Rate
($ in millions, except interest rates)				
Senior notes, due October 2029[2]	500	4.40 %	500	4.40 %
Senior notes, due June 2031	650	3.13 %	650	3.13 %
Senior notes, due June 2033	650	7.95 %	650	7.95 %
Senior notes, due March 2054	750	6.75 %	750	6.75 %
Subordinated debentures, due October 2051	750	4.70 %	750	4.70 %
Subordinated debentures, due October 2054	600	7.95 %	600	7.95 %
Total debt – principal	**3,900**		**3,900**	
Other debt obligations of consolidated special purpose vehicles[1][4]	80	6.67 %	70	7.02 %
Purchase accounting adjustments[2]	30		34	
Debt issuance costs, net of accumulated amortization[3]	(56)		(58)	
Fair value loss of hedged debt obligations, recognized in net income	(182)		(233)	
Total debt	**$ 3,772**		**$ 3,713**	

(1) These debt obligations primarily include debt obligations of consolidated sponsored reinsurance vehicles that are not guaranteed by the Company.

(2) The amortization of the purchase accounting adjustment was $2 million and less than $1 million for the three months ended March 31, 2025, and 2024, respectively.

(3) The amortization of the debt issuance costs was $1 million and less than $1 million for the three months ended March 31, 2025, and 2024, respectively.

(4) Represents a weighted average interest rate.

Debt Covenants

Borrowings of the Company contain various debt covenants. These covenants do not, in management's opinion, materially restrict the Company’s operating business or investment strategies as of March 31, 2025. The Company was in compliance with such debt covenants in all material respects as of March 31, 2025.

10. Composition of other assets, liabilities, income, insurance expenses and general, administrative, and other expenses

Other assets consist of the following:

($ in millions)	March 31, 2025	December 31, 2024
Deferred tax assets, net	$ 2,748	$ 2,837
Investments in-course of settlement[(1)] and derivative collateral receivables	240	142
Derivative assets	119	61
Goodwill	510	510
Intangible assets and deferred sales inducements	341	344
Current income tax recoverable	273	273
Operating lease right-to-use assets[(2)]	161	164
Premiums and other account receivables	185	261
Market risk benefit assets	—	2
Miscellaneous assets	281	277
Total other assets	**$ 4,858**	**$ 4,871**

(1) Primarily includes amounts due from third parties for investments sold for which cash settlement has not occurred.

(2) The non-cancelable operating leases consist of leases for office space and renewal energy forward power purchase agreements in North America. The operating lease costs were $7 million for both three months ended March 31, 2025, and 2024.

The definite life intangible assets are amortized using the straight-line method over the useful life of the assets which is an average of 11.7 years. The indefinite life intangible assets are not subject to amortization. The amortization expense of definite life intangible assets was $5 million and $4 million for the three months ended March 31, 2025, and 2024, respectively.

Other liabilities consist of the following:

($ in millions)	March 31, 2025	December 31, 2024
Investments in-course of settlement[(1)] and derivative collateral liabilities	$ 1,147	$ 347
Derivative liabilities	338	389
Accrued expenses[(2)]	778	739
Insurance operations balances in course of settlement	389	191
Securities sold under agreements to repurchase	306	261
Accrued employee related expenses	80	107
Operating lease liabilities[(3)]	182	186
Tax payable to former parent company	45	49
Interest payable	72	40
Accounts and commissions payables	22	31
Other tax related liabilities	17	22
Total other liabilities	**$ 3,376**	**$ 2,362**

(1) Primarily includes amounts owed to third parties for investment purchases for which cash settlement has not occurred.

(2) Includes related party balances of $160 million and $180 million as of March 31, 2025, and December 31, 2024, respectively.

(3) Operating leases for office space have remaining lease terms that range from approximately 1 year to 10 years, some of which include options to extend the leases for up to 10 years. The weighted average remaining lease terms were 7.3 years and 7.4 years as

of March 31, 2025, and December 31, 2024, respectively. The weighted average discount rates were 4.8% and 4.7% as of March 31, 2025, and December 31, 2024, respectively.

Other income consists of the following:

	Three months ended	
	March 31, 2025	March 31, 2024
($ in millions)		
Reinsurance expense allowance	$ 34	$ 35
Administrative, marketing, and distribution fees	23	21
Miscellaneous income	(1)	—
Total other income	**$ 56**	**$ 56**

Insurance expenses consist of the following:

	Three months ended	
	March 31, 2025	March 31, 2024
($ in millions)		
Commission expense	$ 36	$ 135
Reinsurance expense allowance	48	42
Other insurance expenses	17	18
Premium taxes	4	5
Total insurance expenses	**$ 105**	**$ 200**

General, administrative, and other expenses consist of the following:

	Three months ended	
	March 31, 2025	March 31, 2024
($ in millions)		
Employee-related expenses	$ 145	$ 140
Administrative and professional services[(1)]	39	46
Total general, administrative, and other expenses	**$ 184**	**$ 186**

(1) Includes related party balances of $3 million and $2 million for the three months ended March 31, 2025, and 2024, respectively.

11. Accumulated other comprehensive loss

Information regarding amounts reclassified out of each component of accumulated other comprehensive loss for the three months ended March 31, 2025, and 2024 were as follows:

Components of accumulated other comprehensive income (loss)	Consolidated statements of income and consolidated statements of comprehensive income (loss) location	Three months ended March 31, 2025	Three months ended March 31, 2024
($ in millions)			
Net unrealized investment-related gains (losses) on other investments:			
Net unrealized investment losses	Net investment-related losses		
Net unrealized investment losses, before income tax		$ (1,165)	$ 1
Income tax expense (benefit)		(234)	(1)
Net unrealized investment losses, net of income tax, reclassified		**$ (931)**	**$ 2**

12. Equity-based compensation plans

The components of equity-based compensation and long-term incentives expense were as follows:

	Three months ended March 31, 2025	Three months ended March 31, 2024
($ in millions)		
KKR equity incentive plan and other equity-classified awards	21	29
Total equity-based compensation expense	**$ 21**	**$ 29**
Deferred tax asset	$ 3	$ 3

No equity-based compensation costs were capitalized during the three months ended March 31, 2025, and 2024.

Equity-classified awards

KKR equity incentive plans

Service-vesting awards

Employees of Global Atlantic are eligible for the grant of KKR & Co., Inc. restricted stock units, or “RSUs,” under the terms of KKR & Co., Inc. ’s 2019 Equity Incentive Plan. Awards are generally subject to service-based vesting, typically over a three-to-five-year vesting period. The expense associated with equity-based compensation in connection with KKR equity incentive awards is based on the closing price of KKR & Co. Inc. common stock on the date of grant, discounted for the lack of participation rights in the expected dividends on unvested shares. The expense is recognized on a straight-line basis over the life of the award and assumes a forfeiture rate of up to 4% annually based upon expected turnover by class of recipient.

As of March 31, 2025, there was approximately $160 million of total estimated unrecognized expense related to unvested Service-Vesting Awards, which is expected to be recognized over the weighted average remaining requisite service period of 1 year.

The table below presents the activity related to equity-classified compensation with service-based vesting conditions, for the three months ended March 31, 2025:

	Three months ended March 31, 2025		
	Shares		Weighted average grant date fair value per share
Outstanding balance, as of beginning of period	**4,503,864**	**$**	**69.6**
Granted	15,830		148.03
Forfeitures	(329,876)		70.54
Vested	(659,252)		72.18
Outstanding balance, as of end of period	**3,530,566**	**$**	**69.38**

Market condition awards

Under the 2019 Equity Incentive Plan, KKR also grants restricted stock units and restricted holdings units (“RHUs”) that are subject to both a service-based vesting condition and a market price based vesting condition (referred to hereafter as "Market Condition Awards") for certain Global Atlantic employees.

The number of Market Condition Awards that will vest depend upon (i) the market price of KKR common stock reaching certain price targets that range from $95.80 to $135.80 and (ii) the employee being employed by Global Atlantic on a certain date, which typically ranges from 5 to 6 years from the date of grant (with exceptions for involuntary termination without cause, death, and permanent disability). The market price vesting condition is met when the average closing price of KKR common stock during 20 consecutive trading days meets or exceeds the stock price targets. Holders of the Market Condition Awards do not participate in dividends until such awards have met both their service-based and market price based vesting requirements. Additionally, these awards are subject to additional transfer restrictions and minimum retained ownership requirements after vesting.

Due to the existence of the service requirement, the vesting period for these Market Condition Awards is explicit, and as such, compensation expense will be recognized on (i) a straight-line basis over the period from the date of grant through the date the award recipient is required to be employed by Global Atlantic and (ii) assumes a forfeiture rate of up to 4% annually based upon expected turnover. The fair value of the awards granted is based on a Monte Carlo simulation valuation model. In addition, the grant date fair value assumes that holders of the Market Condition Awards will not participate in dividends until such awards have met all of their vesting requirements.

Below is a summary of the grant date fair value based on the Monte Carlo simulation valuation model and the significant assumptions used to estimate the grant date fair value of these Market Condition Awards:

	Weighted Average	Range
Grant Date Fair Value	$57.35	$22.56 - $61.81
Closing KKR share price as of valuation date	$79.12	$37.93 - $82.85
Risk Free Rate	3.68%	0.41% - 4.41%
Volatility	29.87%	28.00% - 30.00%
Dividend Yield	0.89%	0.84% - 1.53%
Expected Cost of Equity	10.49%	10.45% - 11.00%

As of March 31, 2025, there was approximately $50 million of total estimated unrecognized expense related to these unvested Market Condition Awards, which is expected to be recognized over the weighted average remaining requisite service period of 2.46 years.

The table below presents the activity related to unvested Market Condition Awards, for the three months ended March 31, 2025:

	Three months ended March 31, 2025	
	Shares	Weighted average grant date fair value per share
Outstanding balance, as of beginning of period	**2,343,950**	**$ 52.88**
Forfeited	(290,820)	45.89
Outstanding balance, as of end of period	**2,053,130**	**$ 53.87**

As of March 31, 2025, all of the Market Condition Awards have met their market price based vesting conditions. These Market Condition awards remain unvested until their service conditions (as described above) are satisfied.

13. Income taxes

The provision for income taxes represents federal and state income taxes. The effective tax rate for the three months ended March 31, 2025, and 2024 was 18.6% and 17.2%, respectively. The effective tax rate on income before income taxes for the three months ended March 31, 2025, and 2024 differs from the U.S. federal statutory rate primarily due to certain tax credits.

During the three months ended March 31, 2025, there were no material changes to GA's uncertain tax positions and GA believes there will not be a material increase or decrease to these uncertain tax positions within 12 months of the reporting date.

Each reporting period, management assesses all available positive and negative evidence to estimate whether sufficient future taxable income will be generated to realize existing deferred tax assets. As of March 31, 2025, Global Atlantic continues to maintain that its deferred tax assets are more likely than not to be realized and, therefore, no valuation allowance is needed. It is reasonably possible that prolonged market volatility may negatively affect the Company's operating results and its ability to execute on its tax planning strategies and may warrant the establishment of a valuation allowance on a portion our deferred tax assets within the next 12 months.

On December 27, 2023, the Government of Bermuda enacted the Bermuda Corporate Income Tax (“Bermuda CIT”). Commencing on January 1, 2025, the Bermuda CIT generally will impose a 15% corporate income tax on in-scope entities that are resident in Bermuda or have a Bermuda permanent establishment, without regard to any assurances pursuant to the Exempted Undertakings Tax Protection Act 1966. GA reviewed the potential impact and does not expect that the Bermuda CIT will have a material impact on income taxes for 2025.

On August 16, 2022, the Inflation Reduction Act (the “IRA”) was signed into law. The IRA enacted a new 15% corporate minimum tax ("CAMT") on the "adjusted financial statement income" of certain large corporations, which became effective on January 1, 2023. In addition, the IRA enacted a 1% excise tax on corporate stock repurchases completed after December 31, 2022. GA does not expect to have a CAMT liability for the three months ended March 31, 2025. GA will continue to review and monitor the issuance of additional guidance from the U.S. Treasury and the IRS.

14. Related party transactions

The Company has investment management service agreements with KKR. KKR provides investment management services across the Company. The Company recorded expenses for these agreements of $160 million and $112 million for the three months ended March 31, 2025, and 2024, respectively, and related payables due to KKR of $160 million and $177 million as of March 31, 2025, and December 31, 2024, respectively.

The Company has agreements to lease office space from KKR. The Company recorded expenses for these agreements of $3 million and $2 million for the three months ended March 31, 2025, and 2024, respectively, and had $3 million payable due to KKR as of December 31, 2024.

During the three months ended March 31, 2025, Global Atlantic received $960 million of capital contributions from its ultimate parent in the form of interests in certain debt securities and investment funds. These investments were recognized at their respective fair values as of the date of the contribution. In January 2024, Global Atlantic acquired a non-controlling limited partnership interest in two investment funds from its ultimate parent company KKR, the Diversified Core Infrastructure Fund (“DCIF”) and the KKR Property Partners Americas Fund (“KPPA”), for $555 million and $353 million, respectively. In addition, Global Atlantic, as lender, entered into a $1 billion credit agreement with a KKR affiliate. The Company also, in the ordinary course of business, enters into agreements with, or investments in, certain KKR portfolio companies that are affiliated companies for investment management or other services.

In 2022, the Company and Panamint Capital, or “Panamint,” a utility-scale renewable energy developer, entered into a series of agreements whereby the Company invested in a minority equity position in Panamint and agreed to provide financing to its operations. In addition, the Company has the option to purchase projects sourced by Panamint and finance related redevelopment work. The agreements with Panamint enable the Company to exercise significant influence over the operating and financial policies of Panamint. The Company reported a fixed maturity investment of $20 million and no equity method investment as of March 31, 2025, and a fixed maturity investment of $19 million and no equity method investment in Panamint as of December 31, 2024, respectively.

The Company has controlling interests in projects sourced by Panamint that we consolidate. Panamint is operating and will redevelop the projects, in exchange for certain fees and a minority equity stake in the projects. The amount of these purchases of controlling interests totaled $111 million. These project investments are reported in Other investments.

In 2022, the Company acquired controlling interests in Drawbridge, a $1.6 billion portfolio of commercial real estate, a portion of which had previously been held by KKR owned fund investments.

On December 13, 2021, the Company acquired an equity interest in Avenue One Holdings ("Avenue One") that enables the Company to exercise significant influence. Avenue One provides services related to certain real estate investments held by the Company, including sourcing, renovating and managing properties. The Company paid $4 million and $3 million during the three months ended March 31, 2025, and 2024, respectively, to Avenue One for the sourcing, renovation, and management of properties. Amounts related to sourcing and renovating properties are recognized in the cost of the real estate on the balance sheet, and the management fees are recognized in net investment income. As of both March 31, 2025, and December 31, 2024, there was a $1 million payable outstanding to Avenue One under the related services agreement.

The Company has provided financing to a related party, Parasol Renewable Energy Holdings, LLC, in which the Company owns a 20% equity share. The financing is used to fund the development of renewable energy projects. The loan used to fund the projects was paid off in December 2022. The Company reported an equity investment of $18 million as of both March 31, 2025, and December 31, 2024.

The Company held related party investments in its portfolio as of March 31, 2025, and December 31, 2024 as follows:

		As of March 31, 2025		
Type	**Balance sheet classification**	**Asset carrying value**	**Accrued interest**	**Total balance sheet amount**
($ in millions)				
KKR-issued investments	AFS fixed maturity securities	$ 5,733	$ 41	$ 5,774
KKR-issued investments	Trading fixed maturity securities	1,299	8	1,307
KKR-issued investments	Mortgage and other loan receivables	51	—	51
KKR-issued investments	Real assets	330	—	330
KKR-issued investments	Other investments	1,270	—	1,270
Total related party investments		**$ 8,683**	**$ 49**	**$ 8,732**

Type	Balance sheet classification	As of December 31, 2024 Asset carrying value	Accrued interest	Total balance sheet amount
($ in millions)				
KKR-issued investments	AFS fixed maturity securities	$ 5,185	$ 89	$ 5,274
KKR-issued investments	Trading fixed maturity securities	939	14	953
KKR-issued investments	Mortgage and other loan receivables	11	—	11
KKR-issued investments	Real assets	332	—	332
KKR-issued investments	Other investments	631	—	631
Total related party investments		**$ 7,098**	**$ 103**	**$ 7,201**

The Company earned net investment losses and net investment-related gains (losses) from related party investments, and from investments managed by related parties, as follows:

	Three months ended March 31, 2025	March 31, 2024
($ in millions)		
Net investment losses		
KKR investment management fee	$ (160)	$ (112)
KKR fixed maturity securities	102	76
Real assets	(2)	—
Other investments	8	(6)
Avenue One management fees	(1)	(1)
Total net investment losses	**$ (53)**	**$ (43)**
Net investment-related (losses) gains		
Other investments	$ (3)	$ —
KKR securities	(6)	13
Total net investment-related gains (losses)	**$ (9)**	**$ 13**

15. Commitments and contingencies

Commitments

The Company enters into lease contracts, the most significant being leases of office space for its operations and land leases for its consolidated solar and real estate subsidiaries. The Company reports these leases as right-to-use assets with a corresponding lease liability in other assets and other liabilities in the consolidated balance sheets, respectively. The lease liability represents the present value of the lease payments to be made over the lease term and is calculated using a discount rate equal to the Company's incremental borrowing rates, which range from 2.4% to 7.8% depending on the term. As of March 31, 2025, the Company has a right-to-use asset of $161 million (net of $20 million in deferred rent and lease incentives) and a corresponding lease liability of $182 million. As of December 31, 2024, the Company has a right-to-use asset of $164 million (net of $21 million in deferred rent and lease incentives) and a corresponding lease liability of $185 million.

The Company has commitments to purchase or fund investments of $3.4 billion and $3.8 billion as of March 31, 2025, and December 31, 2024, respectively. These commitments include those related to mortgage loans, other lending facilities, and real assets. The commitment periods vary, with most extending for the next 3 years, but some extend longer. Some of these investment commitments may be subject to conditions that must be met prior to funding. For those commitments that represent a contractual obligation to extend credit, the Company has recorded a liability of $17 million for current expected credit losses as of March 31, 2025.

In addition, the Company has entered into agreements to purchase loans. Our obligations under these agreements are subject to change, curtailment, and cancellation based on various provisions including repricing mechanics, due diligence reviews, and performance or pool quality, among other factors.

Contingencies

Guarantees

In the ordinary course of business, Global Atlantic enters into contracts that contain a variety of representations, warranties, covenants, indemnifications, and guarantees, including, for example related to the purchase or sale of assets and businesses and lease obligations under certain special purpose vehicles. These various arrangements may have a variety of triggering events, such as the occurrence of specified business contingencies, or breaches of representations, warranties or covenants provided by Global Atlantic. 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.

In connection with the Senior Notes due 2029, 2031, 2033, and 2054 issued by Global Atlantic (Fin) Company, or “FinCo,” a Delaware corporation and a subsidiary of the Company, the Company has agreed to fully and unconditionally guarantee the notes on a senior unsecured basis. In December 2024, FinCo also entered into certain interest rate derivative swap agreements related to the Senior Notes due 2029 and 2031, performance under which was fully and unconditionally guaranteed by the Company.

In connection with the $750 million Subordinated Debentures due 2051 and $600 million Subordinate Debentures due 2054 issued by FinCo, the Company has agreed to fully and unconditionally guarantee the notes on a subordinated, unsecured basis.

In connection with the 5-year $1.0 billion RCF entered into by FinCo, the Company has agreed to jointly and severally guarantee, together with any subsidiary guarantors, payment and performance of FinCo’s obligations under the RCF when due if not promptly paid by FinCo for the benefit of the lenders. The guarantees provided by the Company and any subsidiary guarantors are released when all commitments and obligations under the RCF have been paid in full or when the RCF commitments expire or are terminated upon the merger of certain subsidiary guarantors with or into FinCo in accordance with the terms set forth in the RCF. As of March 31, 2025, the Company was the only guarantor under the RCF.

In connection with a Tax Benefit Payment Agreement entered into between FinCo, as payor, and Goldman Sachs, as payee, in 2013, GAFLL and GAFG have agreed to guarantee the payment and performance of FinCo, for the benefit of Goldman Sachs. In connection with the

KKR transaction, effective February 1, 2021, GAFLL merged with and into GAFG and is no longer a party to the agreement. See Note 14—"Related party transactions" for additional information on the Tax Benefit Payment Agreement.

The Company has certain contingent funding obligations related to development-stage renewable energy projects in the amount of $330 million, as of March 31, 2025, with expiration dates occurring between January 2026 and September 2027. For accounting purposes, these contingent funding obligations are considered guarantees of the obligations of the development-stage renewable energy projects. See Note 14—"Related party transactions" for additional information on the letters of credit.

Legal matters

The Company is currently and expects to become from time to time involved in litigation and regulatory actions. Litigation, including class actions, or regulatory actions could result in the payment of substantial settlements, increase costs, require changes to operations, divert management attention, cause reputational harm or make it more challenging to attract and retain customers, employees, and agents at the Company. Such matters include pending examinations, including those related to policy administration, and class action lawsuits, including those related to safeguarding of customer data. Given the inherent difficulty of predicting the outcome of the Company's litigation and regulatory matters, particularly in cases or proceedings in which substantial or indeterminate damages or fines are sought, the Company cannot estimate losses or ranges of losses for cases or proceedings where there is only a reasonable possibility that a loss may be incurred.

Although the Company's ultimate legal and financial responsibility and our actual future expenditures to address regulatory, litigation, and related matters cannot be estimated at this time and could prove to be materially different from the amount that we accrue or reserve for, the Company believes that certain liabilities are probable and can be reasonably estimated and accordingly has recorded a total reserve for all regulatory, litigation, and related matters of approximately $3 million as of both March 31, 2025, and December 31, 2024, respectively.

Financing arrangements

The Company has financing arrangements with unaffiliated third parties to support the reserves of its affiliated special purpose reinsurers. Total fees associated with these financing arrangements were $5 million for both three months ended March 31, 2025, and 2024, and are included in insurance expenses in the consolidated statements of income. As of both March 31, 2025, and December 31, 2024, the total capacity of the financing arrangements with third parties was $2.4 billion.

Other than the matters disclosed above, there were no outstanding or unpaid balances from the financing arrangements with unaffiliated third parties as of both March 31, 2025, and December 31, 2024.

16. Subsequent events

The Company evaluated all events and transactions through May 12, 2025, the date the accompanying consolidated financial statements were available to be issued, that would merit recognition or disclosures in the consolidated financial statements, and determined there were none.