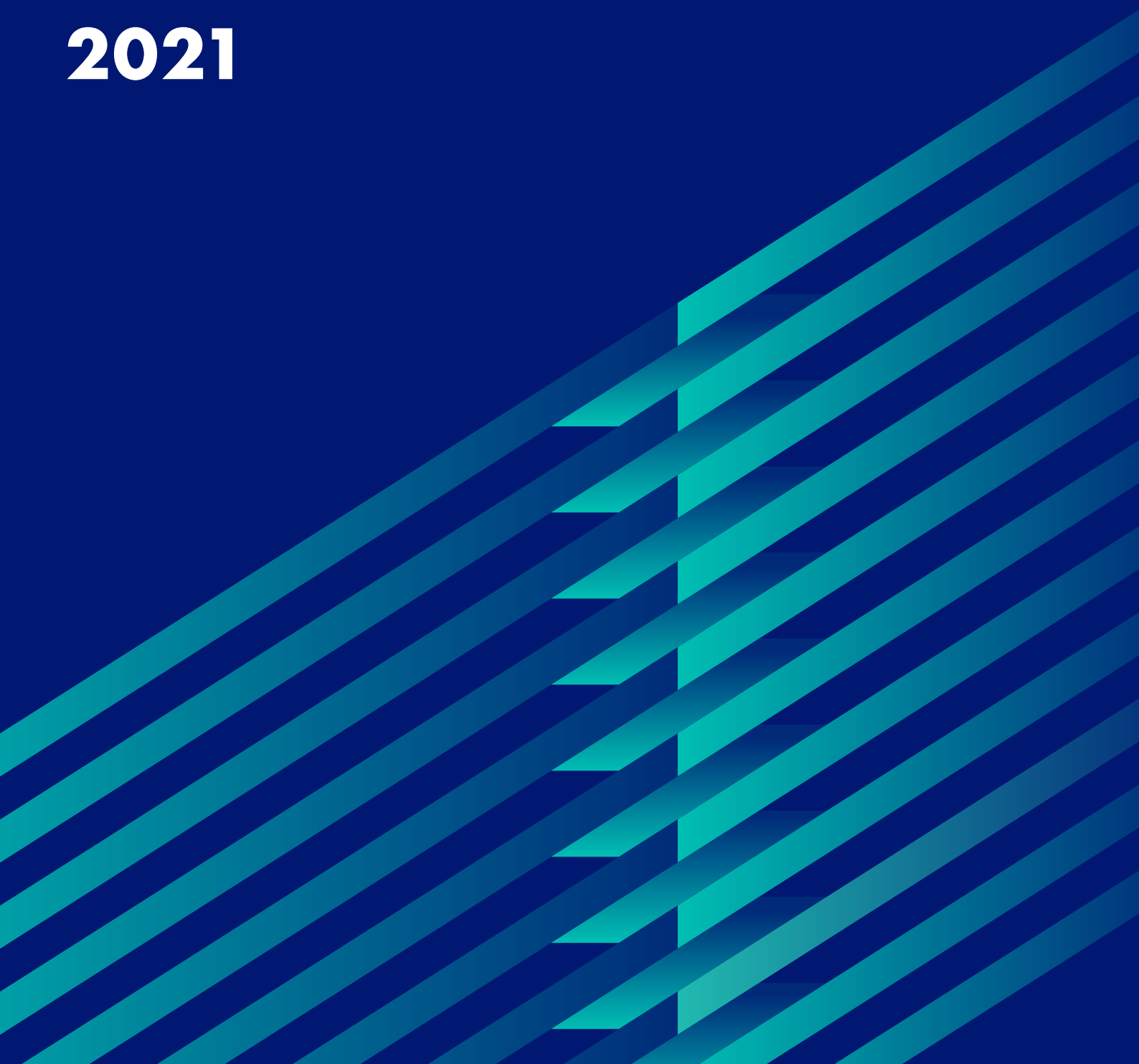




UK Gender Pay Gap **2021**





AIG is committed to fostering diversity, equity and inclusion for all its employees. We are actively working to reduce our gender pay gap and to achieve gender parity in our leadership pipeline.

AIG encourages a diverse and inclusive workforce and supports the advancement of women across its footprint. To see Gender Pay Gap analysis of AIG's other UK entities, click [here](#) for AIG Life and [here](#) for Talbot.

Our 2021 Gender Pay Gap analysis shows an improvement in the mean average salary pay gap as well as in the bonus gap upon the numbers presented last year for every quartile.

Note: Legal entity changes mean that the numbers for 2017 and 2018 are not directly comparable to numbers for 2019 to 2021 (see box to the right).

Our Pay Strategy

AIG is confident that men and women are paid equally for doing equivalent jobs across our business. We will continue to ensure our policies and processes are fair and equitable to all employees. This includes an annual review of our remuneration policy by our Remuneration Committee. We employ tools and practices that enable us to benchmark our total remuneration against our chosen markets/peer group to ensure that our offerings are fair and competitive in the market.

We continue to recognise, develop and reward the contribution of all our employees. In an ever-competitive market for talent, we strive to attract highly motivated people, keep them engaged and help them achieve their career aspirations.

Recruitment, Promotion and Succession Activity

We appoint people to roles based entirely on talent and merit, regardless of age, race, gender, marital status, sexual orientation, disability, gender identity, or religion and belief. However, we do recognise that some groups are under-represented in our business and we are diligently focused on reviewing, identifying and removing any barriers to create equitable access to opportunity. The language and activities we adopt in our recruitment process are reflective of our inclusive culture.

We continue to work with external agencies and partnerships to ensure that our candidate pools are as diverse as possible. We have measured goals to ensure that candidate pools for both early careers and senior appointments have gender balance. We also measure gender balance for appointments and succession planning for key roles. Our Talent & Diversity boards at global, international and local level together with the input from our Shadow Talent Diversity Council (an employee-led council) have ensured a continued focus on identifying and developing talent and ensuring our processes are constantly reviewed for improvements.

In December 2018, AIG Europe Limited was restructured and its employees were transferred to be jointly employed by either **AIG Europe S.A. (UK Branch) & American International Group UK Limited** OR **AIG Europe S.A. (UK Service Branch) & American International Group UK**. The split of employees between these joint employing entities is based on the structure of the organisation and the focus of activities between front office and business support services. For illustration purposes with previous years, the numbers provided for 2019 to 2021 represent an amalgamation of these two joint employment legal entities that employ the majority of our people in the UK. The figures for each entity can be found on the gender pay gap website.

During 2021 we introduced an international sponsorship programme which supported the progression of women. In 2021, 67% of analysts (graduates) and 62% of summer interns were women. Our proportion of women promoted also increased from 39.8% of promotions in 2020 to 43.8% in 2021. We also took part in the cross-insurance industry returners programme providing an ongoing internship opportunity to career-break returners. Through these efforts, we continue to have a good gender balance in our pipeline for senior leadership.

Diversity, Equity & Inclusion

Through our diversity, equity and inclusion (DEI) framework, BeingYou@AIG, we are creating a workplace that nurtures inclusivity, where everyone feels they belong and can bring their whole authentic selves to work.

As we continue to follow a strategic roadmap towards greater inclusivity, our initiatives are therefore focused on all aspects of diversity, rather than solely on gender balance. BeingYou@AIG activities include:

Education and Awareness

We continued to promote opportunities for our managers and employees to increase their inclusive awareness through our monthly DEI-focused communications. We prepared for the launch of our 8th UK employee resource group (ERG) to launch in early 2022 and an ambitious 230+ events were run by our ERGs during 2021. With the support of our ERGs, we have also recently launched a menopause guide to support employees experiencing menopause and raise awareness with their managers and colleagues. Following on from the training programme on Racial Sensitivity and Inclusive leadership for all our executives and HR team in 2020, we commenced the roll out of Conscious Inclusion training for managers in 2021. We also continued the mandatory people management training, with 70% completing Decisive & Inclusive Hiring and 82% completing Anti-Bullying and Harassment modules.

As a founding member of Balance, an initiative which aims to involve men as change agents across the insurance industry to address gender imbalance, we continued to be involved in rolling out a gender balance toolkit through 3 events sharing practical ideas. We also sponsored a number of DEI initiatives across the insurance industry.

Development and Mentoring

We continued to provide development for high potential senior women through the global Women's Executive Leadership Initiative programme. Leadership Connection, a global networking and development forum has also been launched to provide ongoing development for senior women. At the mid-level, our third UK/EMEA cohort of the Accelerated Leadership Development programme for under-represented talent is underway. We are already seeing progress from the first two cohorts of this programme, with an 88% retention rate, and 39% being promoted. We continued our partnership with Everywoman, to provide online development for women through leadership-focused webinars, podcasts, workbooks and articles and the ISC Group to provide high potential senior, mid and emerging women leaders with development, networking and mentoring opportunities.

Parental and Caring support

Our parental toolkit continued to provide employees and managers with online support for parents before, during and after parental leave and was additionally supported with bi-monthly information webinars. We are also partnering with Cityparents to provide resources, webinars and support groups to parents and carers. We continued to promote flexible working and to run focused manager training on this topic. Our Working Families and Carers ERG ran supportive events for parents and carers, including a buddy scheme to support the different stages of parenting and to connect carers. The team also launched virtual coffee meetings and round tables to raise awareness of and support different parental and caring situations.

What is Gender Pay Gap?

UK government legislation requires employers with 250 staff or more to publish statistics outlining the difference between the average pay of male and female employees. The analysis is based on data as at April 5 every year.

Companies must disclose the gender pay gap and the gender bonus gap based on mean and median averages, the proportion of men and women that receive a bonus, and the proportion of men and women in each quartile.

This is different to Equal Pay, which legislates that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010. It is unlawful to pay men and women differently for performing the same job. Bonus pay for the purpose of gender pay gap reporting includes any rewards related to profit-sharing productivity, performance, incentive or commission.

UK 2021 Gender Pay Gap Report

Pay Gap

The percentage difference in pay between men and women

	Mean					Median				
	2021 ¹	2020 ¹	2019 ¹	2018 ²	2017 ²	2021 ¹	2020 ¹	2019 ¹	2018 ²	2017 ²
Hourly fixed pay	23%	26%	25%	27%	29%	31%	32%	23%	32%	34%
Bonus paid	48%	50%	48%	51%	57%	43%	51%	39%	58%	50%

Our 2021 Gender Pay Gap analysis shows an improvement in both the mean and median average salary pay gap as well as in the bonus gap upon the numbers presented last year for every quartile.

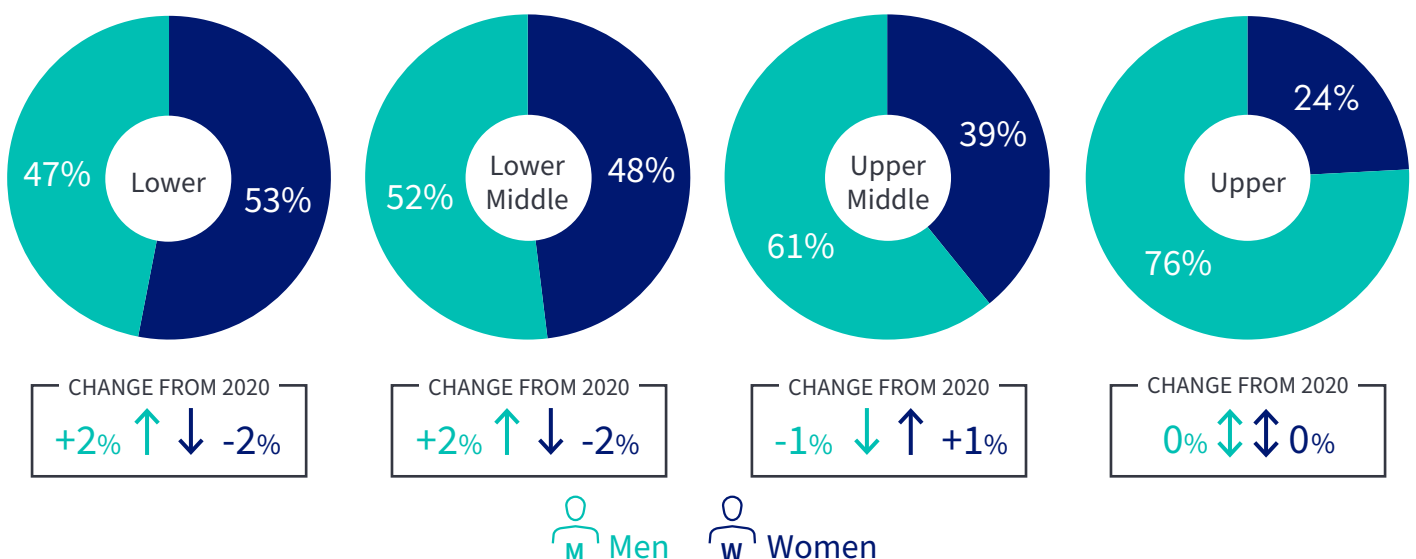
Employees Awarded a Bonus¹



Last year 99% of men and 99% of women received a bonus. This year, fewer employees overall received a bonus.

Pay Quartiles¹

Quartiles are calculated by ranking hourly pay for each employee from highest to lowest. The list is then divided into 4 equal sized groups of men and women. The graphs below show the percentage of men and women in each group. This data shows that we have more senior men than women in higher paying roles.



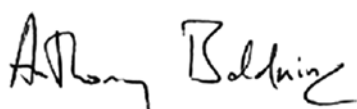
Note: Legal entity changes means that the numbers for 2017 and 2018 are not directly comparable to numbers for 2019 onwards (see box on page 3)

What we are doing to address this:

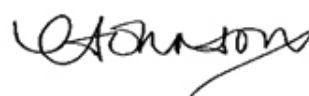
- Maintain our focus on having a diverse slate of candidates when hiring and monitor the impact on the gender balance of early careers, pipeline, and senior leaders.
- Build on the improvements in our recruitment, promotion and succession planning process and practices to reduce bias.
- Develop our under-represented group development programmes and promote development opportunities available to employees related to gender balance.
- Build on our sponsoring and mentoring programmes to support the progression of women.
- Continue to promote inclusion training and tools available to employees.
- Sustain our mandatory people manager training for managers with a focus on promoting flexible/agile working topics. During 2022 we will pilot and launch a new development programme to equip our managers to lead and support employees equitably in a more flexible environment.
- Continue to encourage flexible/agile working and provide support for those returning to work after a career break, and work to promote our parental leave policies.
- Maintain support and promote our ERGs and the valuable contribution they make to our inclusive culture.
- Continue to be involved and invest in the wider promotion of inclusion and gender balance in the insurance industry, for example through our commitment to the Chartered Insurance Institute's Insuring Women's Futures campaign, the Association of British Insurers' D&I Advisory group for leaders, the Talent & Diversity Network for HR/DEI and the Insurance Inclusion and Diversity Forum for HR/DEI.
- Further develop our support of women's golf via the title sponsorship of the AIG Women's Open, standing as an ally to women in sport, in business and beyond.

At AIG we are confident that men and women are paid equally for doing equivalent jobs. There remains an opportunity for further significant improvement and we are committed to investing in activities that will enable more women to reach senior positions, and to ensure that we encourage diversity at all levels of the organisation. We continue to build on the great work achieved through our award-winning BeingYou@AIG framework to increase inclusion in our workplace and are proud of the investment made to ensure a more diverse leadership team in the future.

We confirm that the information in this report is accurate.



Anthony Baldwin
Chief Executive Officer, AIG UK



Trudi Johnson
Director of HR, AIG UK

Notes:

¹ 2021, 2020 and 2019 numbers are provided for the combined entities of:

- (i) AIG Europe S.A. (UK Branch) & American International Group UK Limited; and
- (ii) AIG Europe S.A. (UK Service Branch) & American International Group UK Limited.

² AIG Europe Limited Gender Pay Gap Data provided for 2017 and 2018, while not directly comparable is for illustration purposes only.

