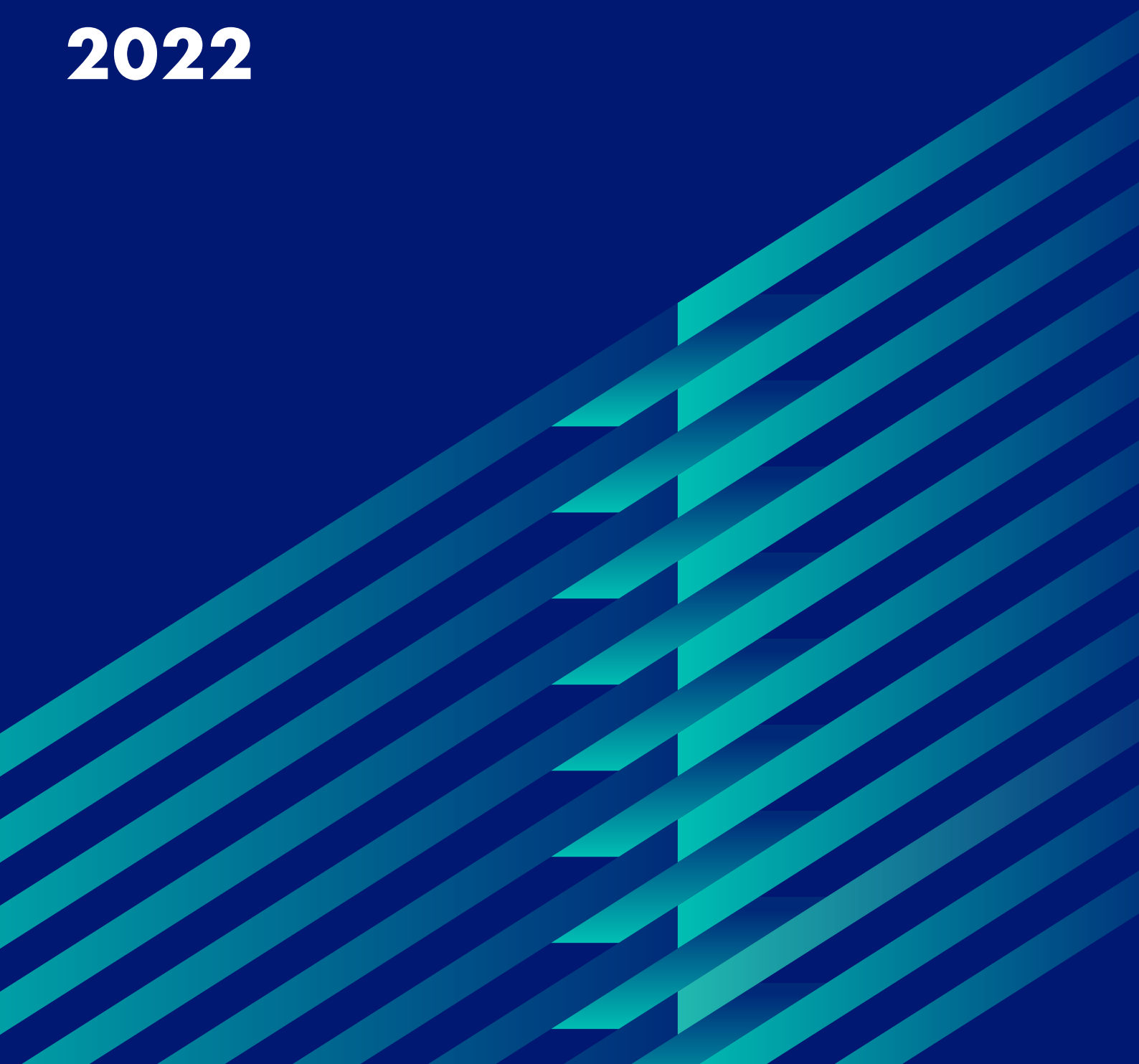




UK Gender Pay Gap **2022**





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

AIG encourages a diverse and inclusive workforce and supports the advancement of women across its footprint.

Our 2022 gender pay gap analysis shows a modest decline in the median average salary and bonus pay gap, while the mean average salary and bonus pay gap remains largely flat versus prior year. The proportion of women in the upper pay quartile has increased by 1%. There is a decrease in the proportion of women in the upper middle pay quartile, and an increase in the proportion of women in the lower middle quartile.

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. We employ tools and practices that enable us to benchmark our total remuneration against our chosen markets/peer group to ensure that our package is 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. The language and activities we adopt in our recruitment process are reflective of our inclusive culture.

Our Talent Acquisition team proactively build diverse candidate slates, from both within and outside the sector. When working with external agencies and partnerships, we brief them on the necessity for diverse slates and if necessary, we extend the recruitment timescales to ensure inclusion of diverse candidates.

At each contact point with candidates, we share positive stories about our culture and the way we work, emphasising:

- Our Employee Resource Groups (ERGs), the high level of participation, and their profile and influence across the wider AIG. All new employees learn about the importance of ERGs and allyship at their corporate induction;
- Career progression, and the opportunity for challenging and exciting moves;
- The culture characterised by collaboration, inclusion and support; and
- Professional development for all, either via programmes available through AIG, or on an individual basis.

Our succession and talent planning activities include a focus on diverse talent, including the consideration of 'emerging' diverse talent whose development we can accelerate. All outputs of succession and talent planning are analysed to ensure we understand the demographic of the talent pipeline and where to target our efforts to help increase the diversity of the population as a whole.

We support employees in their career development and progression through mentoring, technical and leadership development programmes. All promotion opportunities are advertised internally, and we support lateral and cross-departmental moves that help employees broaden their skills.

Our Talent & Diversity boards have ensured a continued focus on identifying and developing talent and ensuring our processes are constantly reviewed for improvements. In 2022, we further increased the proportion of women on our Early Careers programme to 67% overall. Following a successful pilot, we again participated in the cross-insurance industry returners programme providing 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, we are creating a workplace that nurtures inclusivity, where everyone feels they belong and can bring their whole authentic selves to work. We were recently recognised by the Employers Network for Equality and Inclusion with a Bronze level award in the TIDE benchmarking for our DEI efforts.

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. Activities include:

Education and Awareness

We continue to promote opportunities for our managers and employees to increase their inclusive awareness through our monthly DEI-focused communications. We launched our eighth UK employee resource group (ERG) in 2022 and focused on membership engagement – we have increased to 42% of UK employees being a member of at least one ERG and this is even higher for managers, at 48%.

Following the launch of our menopause guide in January 2022, we have continued to support employees experiencing menopause, including support events run through our Gender Equality Matters and Generations ERGs, and raising awareness with managers and colleagues through Menopause for Manager Awareness training. We also launched a Managing Flexible Teams programme to equip our managers to lead and support employees equitably in an in person/virtual environment. We continued the roll out of Conscious Inclusion training for managers and have now trained 83% of UK managers on how they could build an inclusive culture and flex their management style. We also continued the mandatory people management training, with modules on Decisive & Inclusive Hiring and Anti-Bullying and Harassment.

We also sponsored a number of DEI initiatives across the insurance industry, including the Dive In Festival, as part of which we co-hosted two UK events, one of which was focused on perimenopause and menopause.

Development and Mentoring

All our employees are actively encouraged to engage with the extensive learning materials and programmes that are available through AIG. We continue 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 also continues to provide ongoing development for senior women. At the mid-level, we ran our third UK/EMEA cohort of the Accelerated Leadership Development programme for under-represented talent. We are already seeing progress from the three cohorts of this programme, with strong promotion rates. We also ensure gender balance in participant groups in our internal leadership and management programmes.

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.

All employees are expected to contribute to the DEI agenda, either via their goals and objectives or through "Be an Ally" values. Their performance is then evaluated at year-end and contributes to their overall rating, which in turn is linked to remuneration.

Parental and Caring support

Our parental toolkit continues to provide employees and managers with online support for parents before, during and after parental leave. We also continued partnering with Work Life Central to provide resources, webinars and support groups to parents and carers. We continue 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 continued to host 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 men and women employees. The analysis is based on data as of 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 2022 Gender Pay Gap Report

Pay Gap

The percentage difference in pay between men and women

	Mean				Median			
	2022 ¹	2021 ¹	2020 ¹	2017 ²	2022 ¹	2021 ¹	2020 ¹	2017 ²
Hourly fixed pay	24%	23%	26%	29%	30%	31%	32%	34%
Bonus paid	50%	48%	50%	57%	42%	43%	51%	50%

Our 2022 gender pay gap analysis shows that the mean and median average salary pay gap and bonus gap have remained largely flat on last year.

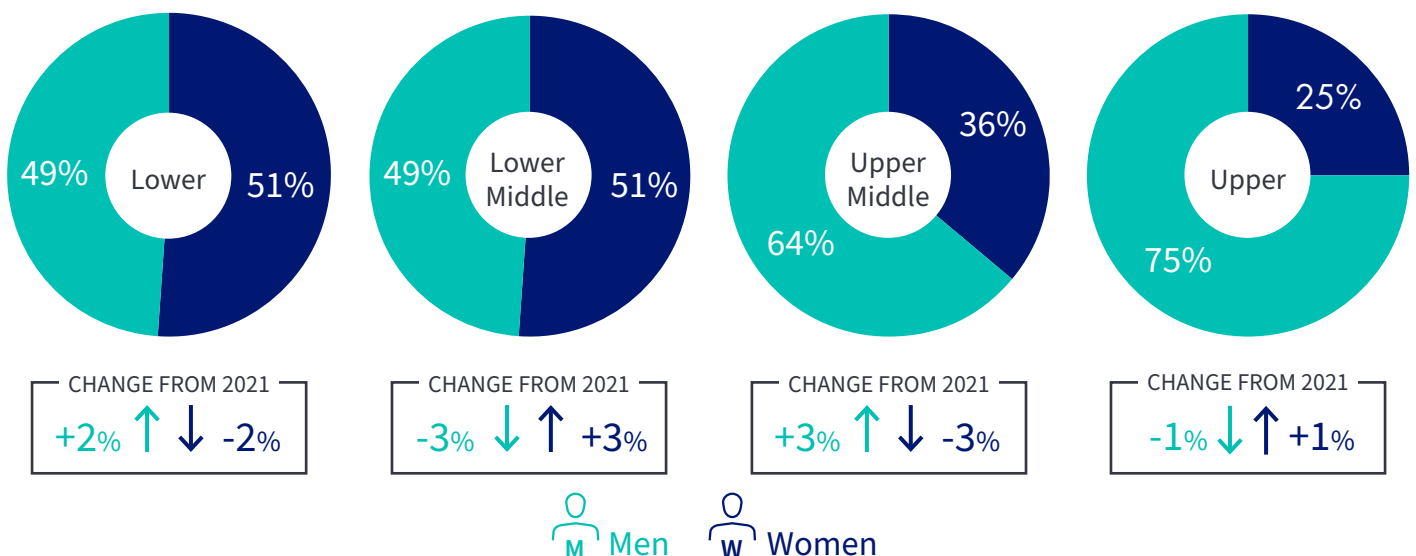
Percentage of Employees Awarded a Bonus



The proportion of men and women receiving a bonus is largely consistent to last year where 93% of men and 92% of women received a bonus.

Pay Quartiles

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.

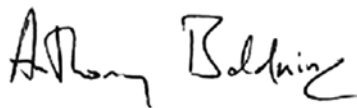


What we are doing to address the gender pay gap:

- Engaging in activities to attract more women into the insurance market and to raise the profile and attractiveness of the insurance industry to under-utilised talent markets; for example, we partner with Bright Network to attract more diverse students;
- Maintaining our focus on having a gender diverse slate of candidates when hiring and monitoring the impact on the gender balance of early careers, pipeline, and senior leaders. Continuing to look for opportunities to make improvements in our recruitment, promotion and succession planning process and practices to reduce bias;
- Continuing our under-represented group development programmes and promoting development opportunities available to employees related to gender balance. Building on our sponsoring and mentoring programmes to support the progression of women talent;
- Promoting inclusion training and tools available to employees and managers including people manager training focused on promoting inclusion and flexible/agile working topics;
- Continuing to support flexible/agile working and provide support for those returning to work after a career break, and promoting our parental leave policies;
- Continuing our involvement and investment in the wider promotion of gender balance in the insurance industry, for example through the Association of British Insurers' D&I Advisory group for leaders as well as the Talent & Diversity Network and the Dive In Festival; and
- Further developing our support of women's golf via the title sponsorship of the AIG Women's Open & AIG Women's Golf Academy, standing as an ally to women in sport, in business and beyond.

We continue to explore opportunities for further progress, 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 DEI framework and are proud of the contribution that inclusion makes to our culture

We confirm that the information in this report is accurate.



Anthony Baldwin
Chief Executive Officer, AIG UK



Richard Cross
Head of HR, AIG UK, Talbot & Global Specialty

Notes:

¹ 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 Limited. 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 2022 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 2022, 2021, 2020 and 2019 numbers are provided for the combined entities of:

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

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

