



UK Gender Pay Gap

2018



AIG is committed to fostering diversity, equality, fairness and inclusion for all of its employees. We are 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 2018 Gender Pay Gap analysis shows improvement in both mean and median average salary pay gap as well as in the bonus gap from the same period in 2017. The proportion of women in the highest paid quartile increased by 3 percentage points.

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 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 package is fair and competitive in the market.

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

Diversity & Inclusion

During 2018, we launched our diversity and inclusion framework BeingYou@AIG. We developed this programme after listening to our employees and found that focusing on inclusion rather than identifying people by what makes them different would benefit all. With this framework we are creating a workplace that nurtures inclusivity where everyone can feel comfortable to be themselves, we are proud to be at the forefront of the industry.

We are following a strategic roadmap towards greater inclusivity and as part of this our initiatives this year have therefore focused on all aspects of diversity, rather than solely on gender diversity. BeingYou@AIG activities include:

Mentoring

We launched an internal mentoring programme for all employees led by our Employee Resource Groups which had high uptake. We also continued an internal mentoring programme for high potential women. We partnered with external organisations to deliver external mentoring programmes across a number of industries.

Manager training

We have delivered inclusive leadership workshops that were attended by 85% of all our managers across the UK. We continued to support the Women's Executive Leadership Initiative, a global programme for high potential women.

Parental support

We launched a parental toolkit which provided all our employees and managers with online support for expectant parents.

Gender balance

We launched a pilot for an online development tool for junior to mid-level females. We were also one of five founding firms of the Balance toolkit which aims to involve men as change agents across the insurance industry to address gender imbalance.

Recruitment 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.

We have worked with external agencies to ensure that our candidate pools are as diverse as possible and introduced a goal for managers to ensure that candidate pools for senior appointments are diverse. We have promoted agile and flexible working through webinars for UK employees through 2018 and will continue to promote agile working during 2019.

UK 2018 GENDER PAY GAP REPORT

What is the 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 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.

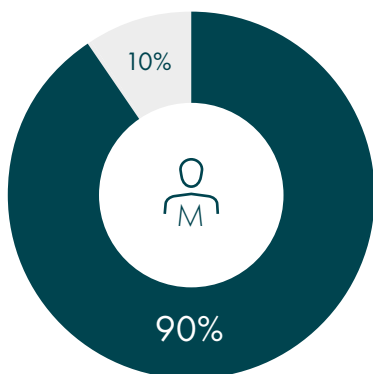
Pay Gap

The percentage difference in pay between men and women

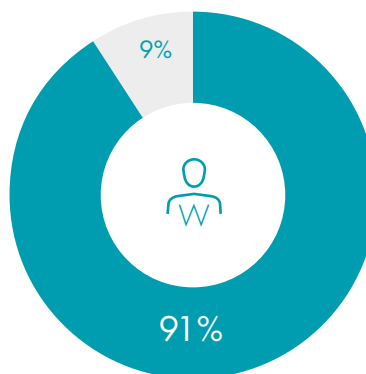
	Mean 2017	Mean 2018	Median 2017	Median 2018
Hourly fixed pay	29%	27%	34%	32%
Bonus paid	57%	51%	53%	50%

We are pleased to report improvement in both the mean and median average salary pay gap and bonus pay gap in 2018.

Employees awarded a bonus



● Bonus ● No bonus

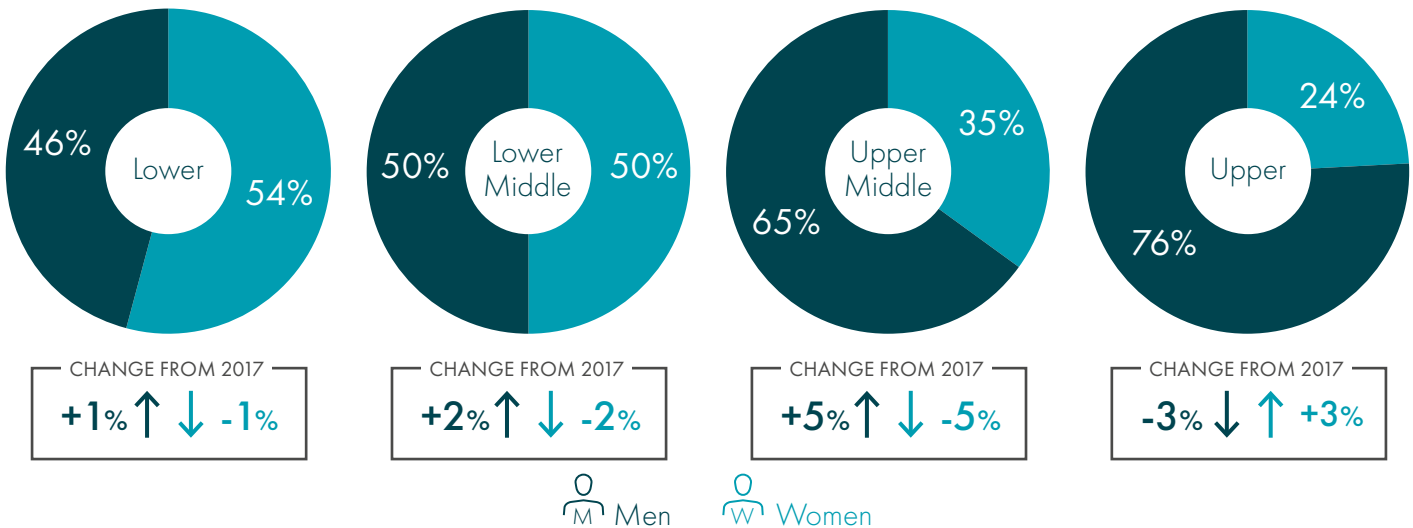


● Bonus ● No bonus

Last year 95 percent of men and 95 percent of women received a bonus. This year, fewer employees overall received a bonus, but slightly more women received a bonus than men.

Pay Quartiles

Quartiles are calculated by ranking the hourly pay for each employee from highest to lowest. The list is then divided into 4 equal sized groups of men and women. The graph below shows the percentage of men and women in each group. We are pleased to report an increase in the percentage of women in the top quartile.



What we are doing to address this:

- Continue our various mentoring programmes and expand to include all employees
- Expand our inclusion training to all employees and roll out unconscious bias training for managers
- Continue to ensure we have a diverse slate of candidates when hiring and monitor impact
- Continue to encourage flexible / agile working
- Provide support for those returning to work after a career break and work to promote our parental leave policies

At AIG we are confident that men and women are paid equally for doing equivalent jobs. We're heartened to see an improvement in the pay gap data this year, although we still see a gap due to the higher proportion of men in senior positions. There is no quick fix and this still represents an opportunity for further significant improvement. We have continued to take steps to enable more women to reach senior positions and to ensure that we encourage diversity at all levels of the organisation. During 2018 we have taken a transformative step to address inclusivity across the organisation and ensure that everyone feels represented and included, regardless of their gender, race, age, sexuality, disability, gender identity or religion. We're proud of the leadership position that we've taken in this regard and of the investment that we're making in ensuring that we will have a more diverse leadership team in the future.

We confirm that the information in this report is accurate.

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