

UK 2017 Gender Pay Gap Report

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.

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.

We are confident that men and women are paid equally for doing the same jobs.

What does the data mean?

The pay and bonus gap (demonstrated below) stems from the higher proportion of men in senior positions. The bonus gap is wider because senior employees tend to receive a larger proportion of their compensation through a bonus, as this can be adjusted in line with performance. We can address this gap by increasing the proportion of women in senior positions. Exactly the same proportion of men and women received a bonus this year. The data below relates to employees of AIG Europe Limited in the UK, excluding AIG Life and Asset Management which are separate legal entities.

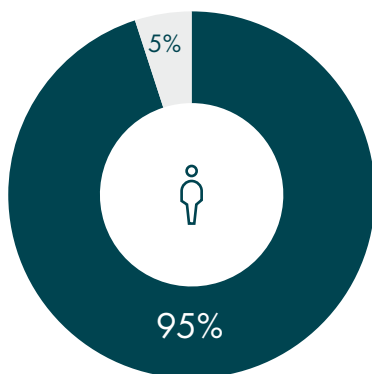
Pay gap

The percentage difference in pay between men and women

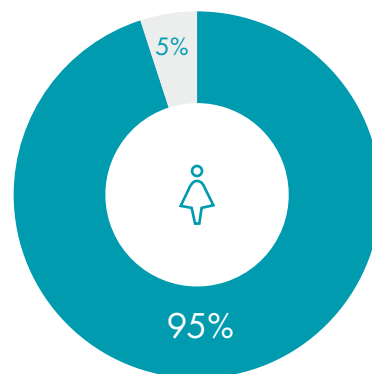
	Mean	Median
Hourly fixed pay	29%	34%
Bonus paid	57%	53%

This table above shows our overall mean and median gender pay gap and bonus gap at 5 April 2017.

Proportion of colleagues awarded a bonus for 2016



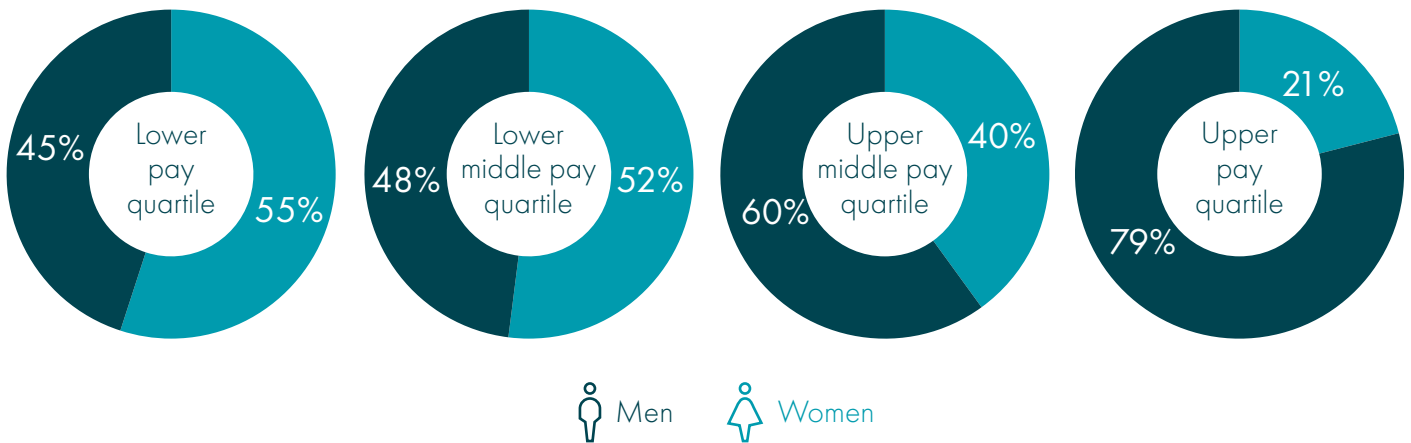
● Bonus ● No bonus



● Bonus ● No bonus

The graphic above demonstrates that there was no difference in the proportion of men and women receiving bonuses at AIG Europe Limited in the UK during the 12 months to April 2017.

Pay quartiles



The data above illustrates the gender distribution across four equally sized quartiles of the business each containing around 400 colleagues, from lowest to highest paid. This data shows that we have more senior men than women in higher paying roles.

What we are doing to address this

- Implementing a programme of mentoring for high-potential women to enable them to enter the senior leadership pipeline
- Diversity training and unconscious bias training for managers
- Aiming to have a diverse slate of candidates when hiring
- Encouraging flexible / agile working
- Providing support for those returning to work after a career break
- Better promoting our parental leave policies
- Continued sponsorship of the AIG Women’s Executive Leadership Initiative – a global programme that develops executive competencies so that women can progress to higher levels of management

“In the UK at AIG Europe, we are confident that men and women are paid equally for doing equivalent jobs. We see a pay gap due to a higher proportion of men in senior positions. The fact that there is a larger number of men in these senior positions influences the overall average. I’m heartened to see that when we compare hourly salary by quartile, the average pay gap drops to the low single digits. However, these results represent an opportunity for significant improvement. We need to do better – both at AIG and as an industry – to address this disparity. We have already taken steps to enable more women to reach senior positions to ensure that we have a more diverse cohort of future leaders. We are also taking a leading role within the insurance industry to address diversity and inclusion. My aim is to create a workplace that celebrates diversity. There will be no quick fix. However, we are investing in the steps we need to take to reduce the gap and ensure that in the future we have a more diverse leadership team. I confirm that the information in this report is accurate.”

Anthony Baldwin
Chief Executive AIG Europe Limited and AIG UK

