



# UK Gender Pay Gap **2019**





**AIG is committed to fostering diversity, equality, fairness and inclusion for all 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.

While our 2019 Gender Pay Gap analysis shows positive progression in both mean and median average salary pay gap as well as in the bonus gap from the numbers presented last year for every quartile, legal entity changes means that the numbers are not directly comparable (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 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 continue 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.

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 (AIG UK) OR AIG Europe S.A. (UK Service Branch) & AIG 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 below are for AIG UK, which is an amalgamation of these two joint employment legal entities that employ the majority of our people in the UK. The figures for all three entities can be found on the general pay gap website.

## Recruitment, Promotion and Succession

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 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. Through these efforts, we are pleased to have seen an improvement year on year to the gender balance of our pipeline for senior leadership.

## Diversity & Inclusion

Through our diversity and inclusion (D&I) framework, BeingYou@AIG, we are creating a workplace that nurtures inclusivity, where everyone feels they belong and can bring their whole selves to work. We are proud to be at the forefront of the industry and in 2019 our efforts were recognised by a number of industry awards.

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 initiatives like unconscious bias training, monthly D&I focused communications and ambitious events run by our employee resource groups (ERG). As one of the founding firms of Balance, which aims to involve men as change agents across the insurance industry to address gender imbalance, we continue to be involved in rolling out a gender balance toolkit. We sponsored a number of D&I initiatives across the insurance industry.

### Development and Mentoring

We continued to provide development for high potential women through the global Women's Executive Leadership Initiative and Accelerated Leadership Development programmes. We continued our partnership with Everywoman, to provide online development for women through leadership focused webinars, podcasts, workbooks and articles. Our ERG-led internal mentoring programme for all employees had a high uptake.

### Parental support

Our parental toolkit continues to provide our employees and managers with online support for parents before, during and after parental leave and is additionally supported with new monthly informational webinars. We continued to promote agile and flexible working through webinars for employees and focused manager training. Our ERGs run supportive events for parents and carers and launched a buddy scheme to support the different stages of parenting and to connect carers.

## 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 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 2019 Gender Pay Gap Report

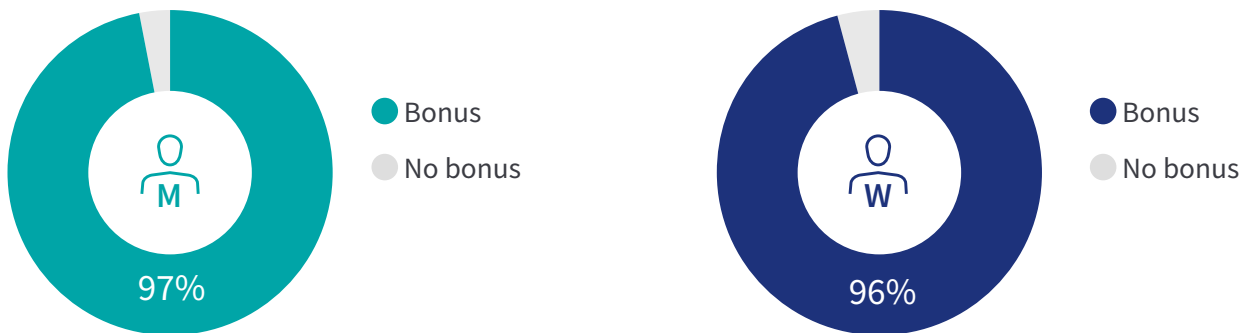
## Pay Gap

The percentage difference in pay between men and women

	2019 <sup>1</sup>	Mean 2018 <sup>2</sup>	2017 <sup>2</sup>	2019 <sup>1</sup>	Median 2018 <sup>2</sup>	2017 <sup>2</sup>
<b>Hourly fixed pay</b>	25%	27%	29%	23%	32%	34%
<b>Bonus paid</b>	48%	51%	57%	39%	58%	50%

While our 2019 Gender Pay Gap analysis shows positive progression in both mean and median average salary pay gap as well as in the bonus gap upon the numbers presented last year for every quartile, legal entity changes mean that the numbers are not directly comparable.

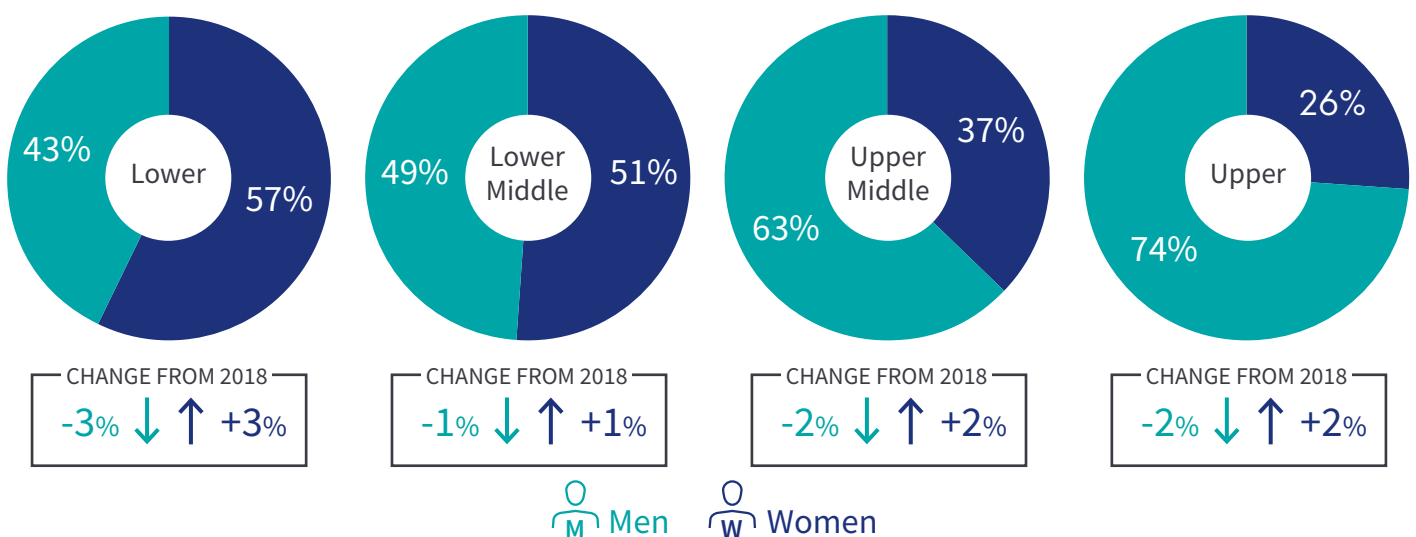
## Employees Awarded a Bonus<sup>1</sup>



Last year 90% of men and 91% of women received a bonus. This year, more employees overall received a bonus, but slightly less women received a bonus than men.

## Pay Quartiles<sup>1,2</sup>

Quartiles are calculated by ranking hourly pay for each employee from highest to lowest. The list is then divided into four 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.



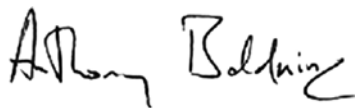
Note: while these numbers represent a positive progression upon the numbers presented last year for every quartile, legal entity changes mean that the numbers are not directly comparable.

## What we are doing to address this:

- Continue to 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
- Continue our focused under-represented development programmes and promote development opportunities available to employees related to gender balance. This includes the Accelerated Leadership Development programme where our first cohort in late 2019 was tailored towards women, and in the future will target other under-represented groups
- Expand our inclusion training for employees and roll out mandatory training for managers, including inclusive hiring and flexible/agile working topics
- 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
- Continue to 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
- Further improve our recruitment, promotion and succession planning process and practices to reduce bias

At AIG we are confident that men and women are paid equally for doing equivalent jobs. It is encouraging to see a narrower pay gap in 2019. 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 BeingYou@AIG framework to increase inclusivity 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, AIG UK



**Trudi Johnson**  
Director of HR, AIG UK

### Notes:

<sup>1</sup> 2019 numbers are provided for American International Group UK Limited, which is equivalent to the combination 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.

<sup>2</sup> AIG Europe Limited Gender Pay Gap Data provided for 2017 and 2018, while not directly comparable is for illustrations purposes only.

