

AIG Life Limited

An  company

# 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 maintain 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 UK and [here](#) for Talbot.

This is the second year that AIG Life has had over 250 employees and is required to report its gender pay gap. In 2019, we continued our internal analysis, discussed what we had found, agreed how we would maintain and improve our position and shared our findings with employees.

The analysis of our gender pay and bonus gaps on 5th April 2019 shows there is a small gap due to the high number of women we have in senior positions. We continue to hire the best people at AIG Life based on their talents, to maintain our culture of success, reward, opportunity and work life balance.

## 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.

In December 2018, AIG Life Limited purchased Group Risk Services, trading as Ellipse, from Munich Re, and on 1 Jan 2019, AIG Life Limited TUPE transferred 64 employees to AIG Life, including the Managing Director, Chief Operations Officer and Chief Finance Officer.

An international division of AIG Life & Retirement is also included as part of AIG Life Limited's payroll recording. This division also includes a CEO and Chief of Staff.

This led to a different gender mix and a higher number of senior men joining the payroll of AIG Life. This in turn has affected the pay gap AIG Life is reporting.

## 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.

## 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 our efforts were recognised in 2019 by a number of nominations for industry awards.

As we continue to follow a strategic roadmap towards greater inclusivity, our initiatives focus on all aspects of inclusion, 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).

### Development and Mentoring

We continued to provide development for high potential senior women through AIG's global Women's Executive Leadership Initiative. We continued our partnership with Everywoman, to provide online development for all junior to mid-level employees, not just 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.

### Career break returner support

We continued to offer mentoring for individuals returning from a career break.

## 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

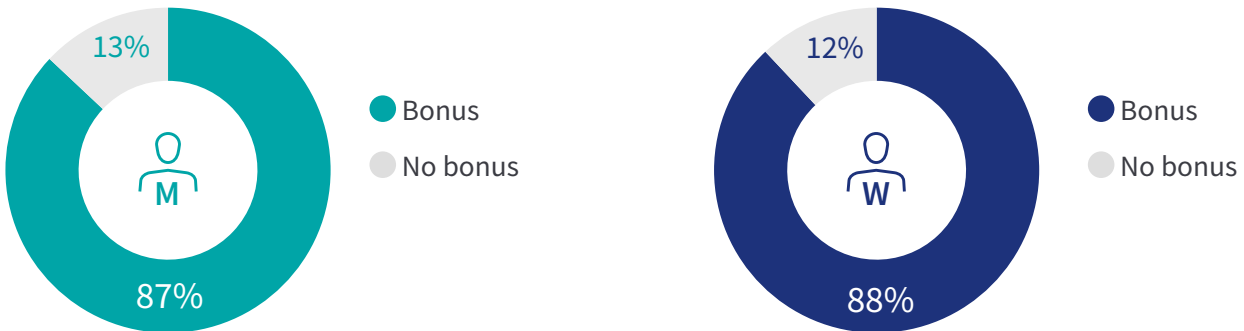
The percentage difference in pay between men and women

	Mean		Median	
	2019	2018	2019	2018
Hourly fixed pay	4%	-4%	7%	-4%
Bonus paid	28%	27%	2%	-2%

Our policy and culture of inclusivity and flexible working, regardless of gender, continues to have a positive impact on our mean and median hourly pay across all levels of the business. However, AIG Life’s pay difference in 2019 moved in men’s favour following the integration of Ellipse, a newly-acquired business, and the inclusion of an international team whose payroll legally falls under the jurisdiction of AIG Life Limited.

AIG Life’s Senior Leadership Team mix today has a gender mix in favour of women.

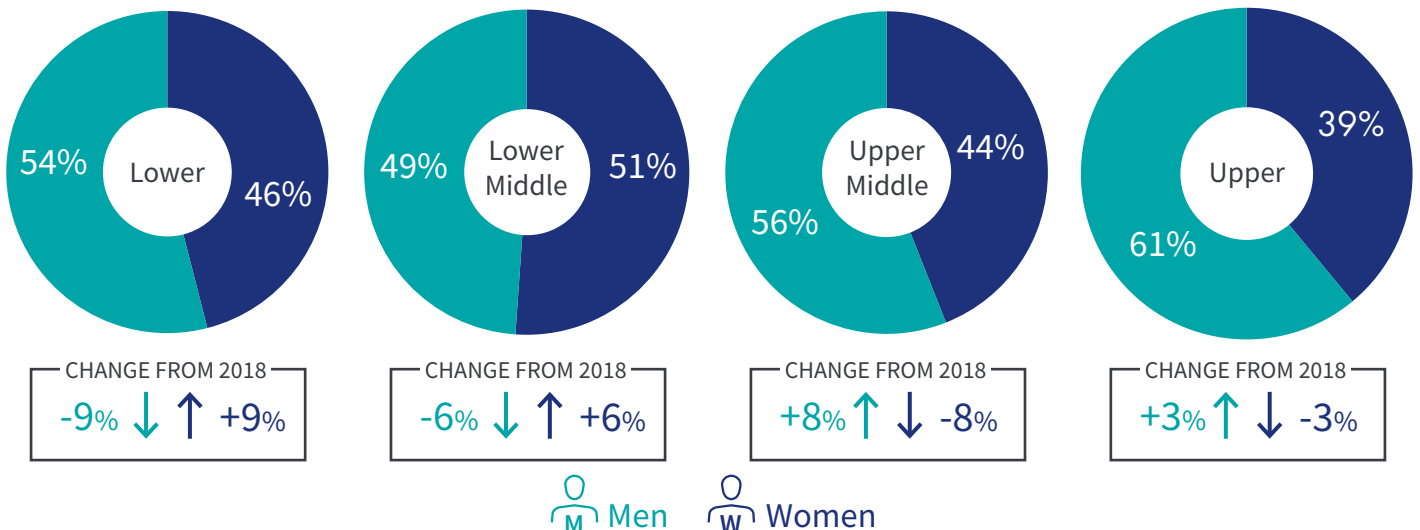
## Employees Awarded a Bonus



Last year 78% of men and 85% of women received a bonus. This year, more employees overall received a bonus, but slightly more women received a bonus than men. We are confident as a business that men and women have an equal opportunity to participate in the various bonus schemes.

## Pay Quartiles

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: these numbers reflect the fact that AIG Life had more men who were higher paid in the reported period to 5th April 2019. This can be attributed to the acquisition and integration of Ellipse, a newly-acquired business, and the inclusion of an international team whose payroll legally falls under the jurisdiction of AIG Life Limited.

## What we are doing to address this:

- Maintain a diverse and inclusive recruitment selection process
- Continue to promote the development opportunities available to employees which maintain inclusivity and a gender balance. This includes the Accelerated Leadership Development programme in which our first cohort in late 2019 was tailored towards women.
- Expand our inclusion training for employees and roll out training for managers including inclusive hiring and flexible/agile working topics
- Continue to encourage flexible working for all employees
- Continue to actively promote our parental leave policy for all parents through improved communication and awareness
- Continue to provide a support programme for all employees returning to work after a career break
- Introduce a returnship programme encouraging experienced workers to join our company after taking a career break
- Actively encourage senior leaders to mentor and coach employees where they display leadership and career development potential
- Continue to support and promote our Employee Resource Groups with their 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, the ABI Talent & Diversity Network, and the Women in Protection network

At AIG Life, we are confident that men and women are paid equally for doing equivalent jobs. It is encouraging to see our gender pay gap remains small, even though the gap itself has reversed following changes to our workforce in 2019. There remains an opportunity for further improvement and we are committed to investing in activities that will enable more women to continue to reach senior positions. We continue to build on the great work achieved through our BeingYou@AIG framework to increase inclusivity at all levels of the organisation.

We confirm that the information in this report is accurate.



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