



**CALIFORNIA DEPARTMENT OF INSURANCE
2015 INSURER SUPPLIER DIVERSITY SURVEY**

Report Type: **Group**

Group / NAIC Code:

12

Group / Company Name: **AMERICAN INTERNATIONAL GROUP**

Our company / group enters into contracts to procure goods or services in California.

1. Does your company / group have a supplier diversity policy statement?

YES

A supplier diversity policy statement is any language that refers to the company's / group's policies in regards to supplier diversity, with the goal of procuring goods and services from diverse businesses

If yes, provide the supplier diversity policy statement below:

It is AIG's policy to proactively seek out certified diverse-owned enterprises and ensure opportunities for these businesses to participate in the sourcing and procurement process. Supplier Diversity is a strategic business initiative, aligned with the goals of AIG Global Sourcing & Procurement Services (GS&PS). The AIG Supplier Diversity Program provides functional guidance and support to all Business Units (BUs) and ensures commonality of purpose and direction toward reaching supplier diversity goals. AIG has made a strong commitment to actively growing its Tier 1 diverse vendor base, and to do business with vendors which share that commitment. By tracking and meeting goals on Tier 2 expenditures (i.e., spend by prime vendors with diverse vendors), AIG is able to exponentially grow the number of diverse vendors with which it is doing business.

- Provide a list of all documents in which the statement can be found (i.e. website, co. / group report, board charter, etc.):

The AIG Supplier Diversity policy is posted in the AIG Supplier Diversity Internet Site, AIG Supplier Diversity Intranet Site, AIG Policy Portal, and is referenced in the AIG Corporate Social Responsibility Policy. AIG also has Supplier Diversity Tier 2 1

- If the state is available online, provide link here:

www.aig.com/supplierdiversity

If no, but will be creating one within the next 12 months, provide a timeline for when your co. / group expects the policy statement to be completed and any other details available at this time (i.e. policy language, policy creation team, etc.):

If no, please explain why:

2. Does your company / group have a supplier diversity program?

YES

A supplier diversity program is any formal plan and / or structure that has been setup specifically for the company / group to implement its supplier diversity policy statements.

If yes, provide an overview of the program:

AIG has a global Supplier Diversity Program which is championed by the Chief Administrative Officer (CAO) and led by a full time Senior Director. The program resides within the Global Sourcing & Procurement Services team, but collaborates with and supports various functions and groups throughout AIG and in the marketplace. The mission of the AIG Supplier Diversity Program is to provide opportunities for diverse suppliers to compete for and win corporate contracts by supplying the AIG organization with programmatic guidance and industry expertise in Supplier Diversity. This mission is being carried out by a 3 year strategic plan built on 4 areas of focus: Tier 1 bidding inclusion and spend, the engagement and tracking of Tier 2 opportunities and utilization of diverse suppliers within the supply chain, providing transparency and clarity on the overall process and results, and collaboration among the various constituents of AIG buyers, employees, stakeholders, incumbent & prospective suppliers (diverse & non-diverse), customers, clients, and Supplier Diversity organizations. Annually an overall Supplier Diversity goal is set for the company and tied to compensation. In 2013, AIG had a goal of \$165M in spend with diverse suppliers and surpassed those targets by \$15M. In 2014, AIG set a goal of \$240M and again exceeded expectations, tracking over \$265M in spend with diverse suppliers. Results are reported internally on a quarterly basis and annually as part of the AIG Citizenship Report, which can be found at www.aig.com/citizenship.

If no, but will be creating one within the next 12 months, provide a timeline for when your company / group expects the program to begin and any other details available at this time (i.e. program plan, program director, etc.):

If no, please explain why:

3. Does your company / group conduct outreach specifically to diverse businesses? **YES**

If yes, respond to parts a, b, c, d, and e below.

a. Share all company / group outreach and communication strategies and practices that are conducted specifically to diverse businesses. Specify what outreach is conducted specifically to California diverse businesses:

AIG is a global company with presence in over 130 countries and throughout the United States. To support such a vast network in the most efficient and effective way, our Supplier Diversity outreach and communication strategies are focused on maximizing the potential global and national reach of every effort, while supporting local economies through each individual event. Communication and outreach to diverse vendors is done primarily utilizing memberships and associations with third party advocacy organizations. AIG maintains active memberships with the following organizations that maintain a national network supporting diverse business development and providing diversity certification for suppliers around the United States: • National Minority Supplier Development Council • Women's Business Enterprise National Council • National Gay and Lesbian Chamber of Commerce We additionally have provided support through sponsorship of the New York/New Jersey Minority Supplier Development Council, the Women Presidents Educational Organization, and the United States Hispanic Chamber of Commerce. In 2013 AIG procured a booth for exhibiting at Supplier Diversity tradeshows and in 2014, tripled participation in external events. AIG participates in a variety of networking events (tradeshows and conferences), utilizes the supplier databases, hosts seminars, panels, and workshops, places ads in event journals, and at times seeks assistance in identifying qualified certified diverse suppliers from the above organizations. These partnerships allow AIG to extend our reach nationally while staying engaged locally.

b. Share any outreach and communication strategies and practices about supplier diversity conducted internally to company / group employees:

In April 2014 AIG hosted it's first Supplier Diversity Fair. The program included a matchmaking component where 28 AIG decision makers met with 60 diverse suppliers in over 115 scheduled individual meetings. The program also included an ERG Roundtable through which the AIG Employee Resource Group leaders participated in a dialogue with Supplier Diversity advocacy organizations to identify ways to partner and drive results among their constituents. This event was unprecedented and resulted in yet another network of advocates and potential customers for diverse suppliers. We then authored and published an article about the event on corporate intranet news feed to share the success and spark additional ideas. To further increase internal awareness and maintain transparency, Supplier Diversity spend reports are generated and distributed quarterly and include a narrative providing an overview of program's progress, recognizing successes in diverse supplier engagement, identifying areas for improvement, and noting efforts underway. In 2014, we also recorded and posted a short video educating employees on what Supplier Diversity is and how they can contribute to the firms efforts. We also distribute internal communications, via e-mail, announcing any noteworthy achievements and updates. In 2014, some examples of the notifications we distributed included celebrating Senior Director of Supplier Diversity, Diana Domenech, being named a 2014 Champion of Diversity by DiversityPlus magazine and AIG scoring a 100 on the Human Right Campaign Corporate Equality Index. Lastly, Supplier Diversity also has a website on the AIG Intranet, through which employees can learn more about the program and how to engage. We refresh this content quarterly to keep the audience engaged.

c. Check below all outreach and communication practices in which your company / group engages:

EVENT – seminars, meet-and-greets, summits, etc.

- Host matchmaking
- Host supplier diversity events
- Internal Awards Program
- Participate in matchmaking
- Participate in supplier diversity events
- Sponsor matchmaking
- Sponsor supplier diversity events

Share the name of an event you attended / hosted that has best guided and / or influenced growth of your Supplier Diversity efforts:

AIG hosted a Supplier Diversity Fair in 2014. This event focused on establishing relationships with 60 participating diverse suppliers. The fair provided suppliers with an opportunity to meet with AIG buyers and top executives and to take advantage of pro

MEDIA – advertising, announcements, interviews, webinars, etc.

- Traditional media (newspaper, television commercial, etc.)
- Ethnic media outlets
- Social media; please specify: _____
- Trade publications

Share the name of a media group or outlet that has best guided and / or influenced growth of your Supplier Diversity efforts:

ORGANIZATIONS – membership, affiliation, sponsorship, etc.

- Member of a certification agency
- Member of ethnic chamber of commerce
- Member/affiliate of other organization, please specify:

The Financial Services Roundtable for Supplier Diversity

Share the name of an organization that has best guided and / or influenced growth of your Supplier Diversity efforts:

The Financial Services Roundtable for Supplier Diversity has provided a forum for AIG to network with other members (in the financial services industry), discuss best practices, benchmark, and meet prospective diverse suppliers. This camaraderie and colla

PROGRAMS – mentorship, training, locator, etc.

- Diverse supplier registration portal
- Manage and run a supplier diversity mentorship program (in-house)
- Participate in a supplier diversity mentorship program
- Subscriber to a supplier locator program (or 3rd party service that identifies diverse suppliers)
- Operate a website dedicated to a Supplier Diversity Program

www.aig.com/supplierdiversity

- Technical assistance / training program for diverse suppliers

Share the name of a program that has best guided and / or influenced growth of your Supplier Diversity efforts:

d. Explain how, and to what extent, these strategies and practices have been successful in establishing relationships with diverse businesses:

These strategies and practices have enabled AIG to further educate the marketplace on the insurance business and the types products and services procured as well as meet additional qualified, certified diverse suppliers to include in the bidding process.

4. Does your co. / group require and/or encourage its primary suppliers to subcontract with diverse businesses? **YES**

If yes:

a. Do you track procurement spend with Tier 2 diverse suppliers? **YES**

b. Please explain:

Along with AIG's commitment to actively growing its own diverse vendor base, the company is also intent on doing business with suppliers who share that commitment. Subsequently, AIG has placed an emphasis on the dollars spent by our prime suppliers with d

5. Does your co. / group set internal targets or goals in regards to its supplier diversity statement and / or program? **YES**

If yes, please explain:

AIG sets a firmwide goal for spend with diverse suppliers (AIG defines a U.S. diverse supplier as Minority, Women, LGBT, Veteran, Disabled Veteran, and Disabled). This goal is then further broken down into commodity specific goals and are included in the

6. Describe in detail any updates, progress, and / or best practices established by your company / group in the two years since the 2013 Insurer Supplier Diversity Survey was administered; include any awards or recognition received for Supplier Diversity work:

During 4th quarter 2013 AIG converted to an enterprise-wide spend management tool. This tool has provided greater transparency into total spend and provides advanced reporting capabilities, such as being able to flag vendors as diverse and report Supplier Diversity spend by Line of Business and commodity. While spend refinement is still underway, reportable total spend only became available in 2014 and spend by commodity continues to be a work in progress. To maintain the integrity of information and facilitate the research on and validation of current supplier diversity certifications, AIG works with a data cleanse provider to cleanse the data on an annual basis. All together, this information has helped the organization to analytically identify areas of opportunity, more easily and accurately track results on a regular basis, set goals, and hold our employees accountable in meeting targets. In 2014 AIG started applying the results of the data cleanses to systematically track diverse supplier inclusion in the RFP process and the number of agreements with diverse suppliers in our contracts repository.

7. Additional Comments:

8. Points of contact for the company's / group's supplier diversity operations for diverse business enterprises:

PRIMARY CONTACT

Contact Name: **DIANA DOMENECH**
 Title: **SENIOR DIRECTOR - SUPPLIER DIVERSITY, SUSTAINABILITY & STRATEGY**
 Phone Number: **201-631-4082**
 Email Address: **DIANA.DOMENECH@AIG.COM**
 Mailing Address **101 HUDSON STREET, 28TH FLOOR, JERSEY CITY, NJ 07302**

SECONDARY CONTACT

Contact Name: **CHRIS KAISAND**
 Title: **VICE PRESIDENT, GLOBAL SUPPLIER & CLIENT RELATIONS**
 Phone Number: **201-631-4769**
 Email Address: **CHRISTOPHER.KAISAND@AIG.COM**
 Mailing Address **101 HUDSON STREET, 28TH FLOOR, JERSEY CITY, NJ**

GENERAL CONTACT

Contact Name:
 Title:
 Phone Number:
 Email Address:
 Mailing Address

LIST OF COMPANIES INCLUDED IN THIS REPORT

Company Name	Company NAIC Number
AMERICAN GEN LIFE INS CO	60488
GRANITE STATE INS CO	23809
INSURANCE CO OF THE STATE OF PA	19429
NATIONAL UNION FIRE INS CO OF PITTS	19445
NEW HAMPSHIRE INS CO	23841
VARIABLE ANN LIFE INS CO	70238
AIG PROP CAS CO	19402