

Internal Audit Group Competency Model

Performance Focus	EXPERT Chief Auditors & Portfolio Audit Leads (Senior Managing Director 26 -27, Managing Director 25)	ADVANCED Audit Leads (Audit Director 24, Associate Audit Director 23)	SKILLED Managers (Senior Audit Manager 22, Audit Manager 21, Associate Audit Manager 20)	FOUNDATIONAL Associates (Senior Audit Associate 19, Audit Associate 18, Analyst 16)
Key Behavioral Skills	<ul style="list-style-type: none"> ▪ Focused on what matters most ▪ Collaborative and results oriented ▪ Strategic thinking ▪ Strong relationship management ▪ Articulate and clear ▪ Possesses and promotes a culture of intellectual curiosity 	<ul style="list-style-type: none"> ▪ Focused on what matters most ▪ Collaborative and results oriented ▪ Strategic thinking ▪ Open to new ways of doing things ▪ Strong relationship management ▪ Critical thinking and decisive ▪ Possesses and promotes a culture of intellectual curiosity 	<ul style="list-style-type: none"> ▪ Focused on what matters most ▪ Collaborate and results oriented ▪ Positive, proactive and engaged ▪ Strong relationship management ▪ Critical thinking and decisive ▪ Possesses and promotes a culture of intellectual curiosity 	<ul style="list-style-type: none"> ▪ Focused on what matters most ▪ Efficient time management ▪ Open to new ways of doing things ▪ Positive, proactive and engaged ▪ Enthusiastic in learning and possess a high degree of intellectual curiosity
Audit Plan Management & Execution	Managing, directing, and executing the completion of audits within the agreed upon timeframe sand communicating the results of audit work to enable improvement of internal controls and to provide assurance			
	<ul style="list-style-type: none"> ▪ Effectively lead a portfolio of audit coverage across products, processes, functions or geographies ▪ Final accountability for risk assessment and rolling audit plan using a risk based coverage strategy ▪ Set strategy for efficient resource management, schedules and budget ▪ Accountable for meeting audit plan deliverables in an effective and timely manner ▪ Provide business consulting and industry specific advice to stakeholders ▪ Accountable for final audit report with succinct and concise issues and meaningful action plans while providing additional advice and insights to the business ▪ Effectively deliver difficult messages to stakeholders and serve as escalation point with stakeholders throughout the audit life cycle ▪ Effectively coach teams on providing advice and insight 	<ul style="list-style-type: none"> ▪ Effectively lead a series of audits, projects and risk assessments within an area ▪ Assist IAG senior management in developing and executing the risk based audit plan ▪ Manage a team of audit professionals within a global team environment ▪ Monitor and evaluate key business metrics to identify areas of risk and audit focus ▪ Ensure key risks and controls are properly identified, test procedures support the audit and are completed within budget, and work papers support the audit results ▪ Direct team regarding schedule, scope and execution, modify plan as required with appropriate communication and notification period ▪ Clearly and concisely communicate audit results to senior business and audit management, and regulators ▪ Produce final draft report with succinct and concise issues and meaningful action plans while providing additional advice and insights to the business 	<ul style="list-style-type: none"> ▪ Manage an audit or project and ensure audits are delivered on time and project staff is utilized efficiently ▪ Identify the root cause for control deficiencies and evaluate management action responses to address the root cause ▪ Participate in risk assessment, develop scope and effective testing strategies to assess risks and controls ▪ Critically evaluate relevant business functions, systems, transactions and systems ▪ Accurately analyze and recognize patterns, relationships and trends from multiple data points for key controls ▪ Properly dimension issues and prepare concise meaningful draft audit issues and audit reports ▪ Collaborate across different global functional audit teams to provide for an integrated and coordinated approach ▪ Identify advice and insights to business stakeholders 	<ul style="list-style-type: none"> ▪ Participate in the full audit lifecycle including planning, testing of controls, reporting and issue verification ▪ Draw appropriate conclusions from audit work performed and report to lead auditor ▪ Learn to identify the root cause for control deficiencies and evaluate management action responses to address the root cause ▪ Effectively and efficiently execute assigned audit activity ▪ Proactively consult with lead auditor and senior manager as required ▪ Accountable for meeting deliverables incorporating real-time feedback ▪ Complete assignments with strong attention to detail and thoroughness of coverage

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Audit Methodology & Supervision	Possessing a thorough understanding of the company's internal audit methodology, risks, controls and ensures quality and efficiency of audit procedures			
	<ul style="list-style-type: none"> Recognize and anticipate patterns, relationships and trends in the internal/external environment when assessing risks and determining solutions Final accountability for operating performance of audit plan, data quality, and adherence to IAG’s global audit methodology and standards Act upon key metrics and KPI’s that impact coverage effectiveness Assist in the prioritization of data analytics and automation initiatives Reviews and updates audit policies based on business strategies and audit risk factors 	<ul style="list-style-type: none"> Influence business in remediating control issues Hold team accountable for meeting deliverables, data quality, and IAG’s global audit methodology and quality assurance standards Actively monitor progress of audit activities and identify potential problems proactively Partner with data analytics team in the development of enhanced procedures for leveraging data analytics and tools on audit engagements and use of automation Engage in practice reviews and facilitate the QA process Develops, reviews and critiques audit procedures and plans to detect significantly deficient business controls in operational areas other than accounting 	<ul style="list-style-type: none"> Detailed understanding of IAG global audit methodology and standards, systems and governance procedures and hold teams accountable for adhering to standards Provide guidance for audit staff in developing knowledge of business processes, IAG global audit methodology and quality assurance standards, systems and governance procedures Develop enhanced procedures for leveraging data analytics and tools on audit engagements Actively monitor progress of audit activities, identify potential problems and resolutions proactively Demonstrates knowledge of roles of enterprise functions and their role in the enterprise and determines the appropriate audit scope to apply appropriate audit procedures 	<ul style="list-style-type: none"> Understand key business drivers and associated risk and control concepts Understand and learn IAG’s global audit methodology and quality assurance standards Use enhanced procedures for leveraging data analytics and tools on audit engagements Exhibit professional skepticism and curiosity Executes appropriate audit procedures to detect deficient business controls in clearly defined business areas
Technology Driven Excellence	Leveraging data and analytics, robotic, cognitive, and artificial intelligence technologies to automate activities, from routine audit and business process activities to complex knowledge work improving the efficiency and effectiveness of IAG			
	<ul style="list-style-type: none"> Uses automated data wrangling processes and report processing methods to create master data store for the business Leverages advanced tools to program data consolidation function from various business applications and departments Understands and is able to explain the value of data driven processes and decision making and responsible reporting Identifies the functionalities needed to build the business and leverages skills to automate processes Possess expert knowledge in licensed/open source automation tools used for automation Consults, advises, and teaches others in the business application of systems testing principles, methods and tools Anticipates risks and implements improvements to optimize machine learning capabilities Champions performance excellence, identifies gaps, and uncovers opportunities to maximize service delivery effectiveness 	<ul style="list-style-type: none"> Understands business needs and tailors visualization output development to groups or individuals Understands business needs and tailors visualization output to groups of stakeholders Possesses awareness of how business applications can be best utilized in each area of the business and the data important in each Brings deep actionable insights from data into interactions with business leaders and stakeholders Applies advanced understanding of systems testing principles, methods, and tools to improve automated capabilities Demonstrates the ability to customize and create new algorithms to meet changing business needs Demonstrates advanced understanding of the different service processes through practical application of the concepts and continuously looks for ways to optimize the performances 	<ul style="list-style-type: none"> Adept at cleaning up disorderly data and preparing it for analysis Understands which data is needed to answer questions and inform business decisions Leverages data visualization techniques to develop and automate readable outputs and dashboards Strong business acumen and high level understanding of automation technologies Demonstrates working knowledge of most or all of the programming languages used in machine learning (Python/C++/R/Java) Serves as the process owner for one or two key areas to drive operational effectiveness 	<ul style="list-style-type: none"> Familiarity with data wrangling processes and making sense of seemingly disparate data Possesses a working understanding of data visualization techniques that facilitate clear understanding of insights Demonstrates a propensity to seek data and ask questions to make sense of business requirements and inform programs and automated functions Business acumen and moderately high level of understanding of automation technologies Understands the basic principles of machine learning Possesses working knowledge of programming languages such as R, Python, and SQL

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Control Framework Assessment and Assurance	Awareness, understanding and practical application of IAG control framework assessment tools and techniques; Applying professional judgment in drawing conclusions and making recommendations related to the design and operational effectiveness of controls across a variety of business areas			
	<ul style="list-style-type: none"> Drives ongoing development of AIG's approach to controls testing and is able to clearly articulate this approach to others Leads the relationship with external and other internal assurance providers from a controls perspective Sought out by colleagues as an authority in the development of controls assessment and their application 	<ul style="list-style-type: none"> Applies assessment techniques to complex controls across both audit and non-audit environments Applies judgment in the interpretation of results in subjective areas reaching robust defensible conclusions Critically reviews controls testing work performed by others, identifying any weaknesses with the testing approach or documentation and providing constructive feedback Works with the business to develop and assist with the implementation of effective, efficient and practical solutions to complex control issues, whilst recognizing the constraints of independence Applies detailed knowledge and understanding of risk management and assessment techniques to develop risk assessments across a variety of processes and an awareness of their broader use in non-financial areas 	<ul style="list-style-type: none"> Understands the requirements for, and AIG's approach to, control testing within their areas of responsibility Demonstrates understanding of assurance / audit tools and techniques including methods such as control risk self-assessment Undertakes control testing following pre-established test steps, documenting results and conclusions in line with AIG's internal guidance Articulates the application of assurance techniques to others Able to identify the key risks in these processes and articulate how controls mitigate these risks 	<ul style="list-style-type: none"> Demonstrates knowledge of common assurance / audit tools and techniques and familiarity with relevant assurance related terminology and concepts, including an understanding of the importance of auditor independence Demonstrates awareness of relevant regulation and legislation which drives both internal and external control assurance requirements Able to identify the key risks in and articulate how controls mitigate these risks
Business Acumen & Industry Knowledge	Ability to manage risk, interpret in-depth financial and operational information and have commercial acumen that can be used to make meaningful insights to drive business performance; An understanding of the commercial and risk impact of any actions and the appropriate business recommendations related to these including who the decision makers are, and how this impacts on getting things done			
	<ul style="list-style-type: none"> Understand and communicate key AIG business directives, complex issues and strategies Partner effectively with a broad range of internal and external stakeholders, many at the executive level, to ensure focus on key risks and controls Execute on behalf of Audit Committee, Board, Senior Executives and Regulators Actively engage with L2 and L3 stakeholders Stay abreast of internal and external events and assess potential impact to control environment Meet with regulators to understand industry trends, expectations, findings and/or recommendations Minimum of 1 recognized professional certification per IAG policy An average of 10+ years of industry experience 	<ul style="list-style-type: none"> Understand key business drivers, directives, strategies and regulations Awareness and communication of changing products, enhanced business systems and their impact on the control environment Participate in internal control evaluation for new and changing products and procedures Partner with the management and other assurance functions to identify and assess key inherent risks, key controls and self-identified issues Collaborate with stakeholders on a regular basis to provide insight and analysis for complex problems Interact with regulators for regulatory examinations and requests Minimum of 1 recognized professional certification per IAG policy Actively engage with L3 and L4 stakeholders An average of 7-12 years of industry experience 	<ul style="list-style-type: none"> Intermediate knowledge of insurance products/processes and corresponding key controls of relevant business area Assist the audit teams in identifying and analyzing the key in inherent risks and key controls in the business Identify and assess control design and effectiveness Actively engage with stakeholders Knowledge of relevant regulations Working toward or have received 1 recognized professional certification per IAG policy Senior Managers and Managers have an average of 5-8 years of industry experience while Associate Managers have an average of 3 - 6 years of industry experience 	<ul style="list-style-type: none"> Understand AIG and IAG mission and operating principles Foundational industry, business products and services knowledge Gain a well-rounded understanding of how AIG operates by participating in audit projects covering different departments and functions Assist in identifying and analyzing the key inherent risks and key controls in the business Working toward obtaining 1 recognized professional certification per IAG policy An average of 1-5 years of industry experience

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Business Impact	Applying business knowledge, analytical thinking and fact-based insight to constructively challenge, support, and advise business stakeholders, improving decision making and business performance			
	<ul style="list-style-type: none"> Develops effective business strategies and implements solutions with senior leadership that considers prevailing market trends, economic environment and regulatory outlook Offers high-value, innovative ideas and services to solve complex operational challenges for senior leadership Evaluates controls, issues and opportunities from strategic perspectives Leverages deep understanding of business and organizational interdependencies to recommend executable strategies bases on synthesis of complex company data Understands when processes need to be improved and uses agreed techniques to break down problems, measure performance, analyze root causes and create improvements 	<ul style="list-style-type: none"> Comfortable providing appropriate data driven challenge, develops strategies and solutions with senior operational leaders Promotes focus on improving the financial acumen of the business Pinpoints weak areas of business cases or arguments and elevates issues to the appropriate levels of the organization for action Recognizes and addresses areas of potential stakeholder resistance and provides courses of actions to meet functional and departmental objectives Assesses, tests and establishes repeatable and efficient processes and helps to ensure alignment with audit findings 	<ul style="list-style-type: none"> Uses business knowledge and knowledge of controls to identify operational issues and risks Objectively challenges and advises peers within the business, proactively offering impartial business knowledge and insight Proposes more effective methods of working based on the identification on gaps in operational procedures and standards Recommends appropriate courses of action to achieve business outcomes considering stakeholder requirements Assesses and tests through review of steps in order to validate and establish the root causes of issues arising from an audit 	<ul style="list-style-type: none"> Demonstrates knowledge of processes, procedures, and stakeholders Displays a curiosity around operational process improvements Seeks information to support discussions with business stakeholders and identifies opportunities and risks to feed into decision making Gathers data and draws conclusions based on data to understand common causes of audit inefficiencies Recognizes the value of proposing more efficient ways of meeting objectives by leveraging data, knowledge, and stakeholder insight
Change Leadership	Creating and communicating a compelling vision of the future that inspires energy, momentum, and commitment while leading and supporting others in making the transition from current state to desired state			
	<ul style="list-style-type: none"> Proactively and continuously learn, develop, and introduce improved ways of doing things, both to business stakeholders, as well as to IAG practices Drive strategies that contribute to the overall effectiveness and value of IAG by recommending and developing innovative audit approaches and solutions, including use of data analytics, automation and agile methodology Actively engage, support and motivate employees when driving change Quickly adapt and communicate change in a clear and timely manner including expected impact and benefits 	<ul style="list-style-type: none"> Proactively and continuously learn, develop, and introduce improved ways of doing things, both to business stakeholders, as well as to IAG practices Drive strategies that contribute to the overall effectiveness and value of IAG by recommending and developing innovative audit approaches and solutions, including use of data analytics, automation and agile methodology Lead the implementation and sustainment of IAG change initiatives Quickly adapt and communicate change in a clear and timely manner including expected impact and benefits 	<ul style="list-style-type: none"> Contribute to the overall effectiveness and value of IAG by recommending and developing innovative audit approaches and solutions, including use of data analytics and automation Actively engage, support and motivate employees when driving change Recommend changes to audit practices standards for continued improvement Participate in the implementation and sustainment of IAG change initiatives Quickly adapt and communicate change in a clear and timely manner including expected impact and benefits 	<ul style="list-style-type: none"> Take ownership of assigned tasks and seek out ways to improve IAG processes Actively engage in understanding implications of change activities Quickly adapt to change without losing sight of departmental objectives and current standards Provide upward feedback influencing change

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Innovation for Performance	Exploring and suggesting new ideas and offering to test new audit procedures to adapt and reimagine existing and traditional ways of performing work that might improve performance or create opportunities			
	<ul style="list-style-type: none"> Drives a culture of innovation by encouraging others to think differently and look for creative solutions to execute audit task Builds the continuous improvement culture by setting expectations for developing and implementing new ideas, and provides the necessary resources Brings visibility to innovative approaches and projects currently in process and advocates smaller-scale innovations for broader application Champions innovative approaches to work that result in optimized processes and a culture of creativity 	<ul style="list-style-type: none"> Promotes, motivates and inspires innovation both in their immediate group and in collaboration with others to foster new ways of working Uses a structured process to evaluate, select and track innovation projects and communicate their status Demonstrates motivation, engagement, ambition and creative problem-solving skills Uses improvement opportunities as a catalyst to create innovative solutions 	<ul style="list-style-type: none"> Recognizes and takes advantage of opportunities to meet immediate business needs in new, inventive ways Leverages diversity of thought on team and in group to find and propose new ways of executing audit procedures and processes Builds flexibility into existing processes to allow for quick adjustments based on emerging business needs Uses day-to-day problem-solving and continuous improvement opportunities as a platform to launch changes 	<ul style="list-style-type: none"> Uses creative approaches to help assess and solve problems Seeks new ideas, including learning from best practices Engages others, including across organizational boundaries, to develop ideas and solutions Identifies and proposes optimized methods of performing tasks and executing procedures
Management and Development	Effectively managing self and others to develop business and IAG while embodying IAG's vision, mission, and strategy; Utilizing teaming behaviors to achieve organizational objectives			
	<ul style="list-style-type: none"> Develop roles and assignments contributing to AIG's talent pipeline Develop bench strength and successors at all levels Reinforce IAG's Vision, Mission and Strategy and build a culture of continuous improvement 	<ul style="list-style-type: none"> Actively engage in advancing the careers of audit team members and self Set clear expectations to auditors working on audits in their areas and provide timely and constructive feedback Empower others to act or make decisions Encourage team environment to ask questions and continually learn 	<ul style="list-style-type: none"> Provide guidance and direction for junior staff to develop business and audit knowledge and facilitate knowledge exchange/transfer Actively engage in advancing the careers of audit team members and self Set clear expectations to auditors working on audits in their areas and provide timely and constructive feedback Empower others to act or make decisions Encourage team environment to ask questions and continually learn 	<ul style="list-style-type: none"> Proactively seek feedback and action accordingly Take initiative to consider and recommend problem resolution to audit team and manager Continually seek to learn through asking questions, getting exposure to new opportunities and training sessions
Strategic Collaboration	Collaborating internally across the company to understand the needs and outputs of other departments to identify trends throughout the organization to achieve common goals and to build alignment that delivers outstanding teamwork			
	<ul style="list-style-type: none"> Manages conflict across teams and encourages and enables passionate debate that generates collaborative solutions Encourages or facilitates a beneficial resolution to identified inefficiencies across teams or functions Takes action to reduce operational redundancies within and between groups by connecting and engaging key stakeholders Makes decisions and builds processes based on themes observed throughout the business Looks strategically across business for themes within and outside of departments 	<ul style="list-style-type: none"> Fosters productive ways of working, collaborates within and across the company Appropriately acknowledges others who have performed well Thinks bigger picture about the organization as a whole system; unlocks synergies for enhanced performance Encourages and empowers others, making them feel strong and important Examines business for patterns within and across processes 	<ul style="list-style-type: none"> Actively engages others and finds ways to implement ideas Identifies and resolves differences of opinion before they become entrenched Builds and maintains a company-wide network of relationships with people from diverse backgrounds and experiences Solicits other people's view and opinions in planning work 	<ul style="list-style-type: none"> Seeks win-win outcomes by establishing and working towards common goals Works out overlap or interdependencies in delivery and works with others to acknowledge and manage them Builds relationships with people from diverse backgrounds and varied experiences

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IAG Competency Matrix Competencies

Technical Competencies

Audit Plan Management & Execution

Managing, directing, and executing the completion of audits within the agreed upon timeframes and communicating the results of audit work to enable improvement of internal controls and to provide assurance

Audit Methodology & Supervision

Possessing a thorough understanding of the company's internal audit methodology, risks, controls and ensures quality and efficiency of audit procedures

Technology Driven Excellence

Leveraging data and analytics, robotic, cognitive, and artificial intelligence technologies to automate activities, from routine audit and business process activities to complex knowledge work improving the efficiency and effectiveness of IAG

Control Framework Assessment and Assurance

Awareness, understanding and practical application of IAG control framework assessment tools and techniques; Applying professional judgment in drawing conclusions and making recommendations related to the design and operational effectiveness of controls across a variety of business areas

Behavioral Competencies

Business Acumen & Industry Knowledge

Ability to manage risk, interpret in-depth financial and operational information and have commercial acumen that can be used to make meaningful insights to drive business performance; An understanding of the commercial and risk impact of any actions and the appropriate business recommendations related to these including who the decision makers are, and how this impacts on getting things done

Business Impact

Applying business knowledge, analytical thinking and fact-based insight to constructively challenge, support, and advise business stakeholders, improving decision making and business performance

Change Leadership

Creating and communicating a compelling vision of the future that inspires energy, momentum, and commitment while leading and supporting others in making the transition from current state to desired state

Innovation for Performance

Exploring and suggesting new ideas and offering to test new audit procedures to adapt and reimagine existing and traditional ways of performing work that might improve performance or create opportunities

Management and Development

Effectively managing self and others to develop business and IAG while embodying IAG’s vision, mission, and strategy; Utilizing teaming behaviors to achieve organizational objectives

Strategic Collaboration

Collaborating internally across the company to understand the needs and outputs of other departments to identify trends throughout the organization to achieve common goals and to build alignment that delivers outstanding teamwork