

DIVERSITY AT INSURANCE AUSTRALIA GROUP (IAG) POLICY STATEMENT

Overview of the Policy	
Statement of Purpose and Coverage	<p>IAG is committed to creating a workforce and culture, where:</p> <p>We respect and value the different experiences of our people, and harness the opportunity and business benefits that diverse ideas and perspectives bring to our organisation and stakeholders.</p> <p>To drive the future success of our company and reach our ambition to be the world's most respected group of general insurance companies we need to attract and retain the best people.</p> <p>Diversity is fundamental to this, because talent doesn't confine itself to one gender or group of people. By attracting and retaining disciplined business leaders who are passionate about our customers and have a broad range of skills, experiences and frames of references, it will drive innovation within our organisation and in turn, deliver an improved financial performance.</p> <p>At IAG, we're concentrating on improving gender, age and ethnic diversity in our organisation. We believe that improvement in these areas supports our workforce sustainability and builds competitive advantage by leveraging thinking and aligning more closely with our customer base.</p>
Exemptions from this policy	
List of Topics	<ol style="list-style-type: none"> 1. Code of Ethics 2. Diversity Activity 3. Diversity Targets 4. Monitoring, Evaluation and Reporting Requirements
1. Code of Ethics	<p>Since 2008, IAG has committed to a Code of Ethics that outlines what we value and how we work:</p> <p>WORKING AT IAG We are committed to meeting the needs of our people by providing a working environment where everyone is provided with opportunities to achieve personal fulfilment and development.</p> <p>DIVERSITY We believe that our culture should value rather than tolerate differences and allow a flexible and inclusive work environment that supports all of our people in achieving their potential.</p> <p>EQUAL OPPORTUNITY We believe in treating our people fairly and on an equal basis regardless of age, gender, disability, race or religion.</p>

CORPORATE POLICY FRAMEWORK

	<p>CULTURAL SENSITIVITY We believe in respecting and being sensitive to the cultures and customs of the countries in which we operate.</p> <p>WORK AND LIFE We believe that a healthy workplace involves a flexible work environment that allows our people to balance work with their personal commitments.</p> <p>MANAGING OUR PEOPLE We believe that a sustainable workforce is crucial to achieving long term success and will strive to provide a working environment that is based on the principles of high performance, productivity and flexibility.</p> <p>DEVELOPING OUR PEOPLE We believe in providing our people with the development opportunities to assist them in carrying out their roles and to help them realise their fullest career potential.</p> <p>REMUNERATION We believe in attracting and retaining high quality people, paying our people fairly, and supporting, recognising and rewarding high performance.</p> <p>SPEAKING UP We want our people to speak up about issues of concern or when they suspect any behaviour that may breach any laws or IAG policies.</p> <p>POLITICAL ACTIVITY We acknowledge that our people have the right to take part in political activities as individuals but not as representatives of IAG.</p>
<p>2. Diversity Activity</p>	<p>In FY11, IAG has taken the following action to move towards the fulfilment of our Diversity Ambition.</p> <ul style="list-style-type: none"> • The IAG Diversity Working Group was formed; chaired by the Group CEO, sponsored by the Chairman of the Board and made up of senior representatives from each of our key brands and regions. • A Diversity and Inclusion Census was conducted across our 12,700 employees based in Australia, New Zealand, United Kingdom, Singapore, Thailand and India, resulting in 67% participation. The census provided rich data to ensure we focussed diversity activity on the areas of greatest importance to our people. <p>An approach to evaluate the IAG Board’s skills and knowledge against the Group’s strategic direction has been developed and used to help identify the skills, competencies and knowledge for the new NED appointment made in December 2010.</p>
<p>3. Diversity Targets</p>	<p>IAG has publicly committed to a target of improving the number of women in senior management positions to 33% by 2015.</p>
<p>4. Monitoring, Evaluation and Reporting Requirements</p>	<p>The IAG Corporate Office will monitor the scope and currency of this policy.</p> <p>All divisions within IAG are responsible for implementing, monitoring and reporting on activities and targets mandated by the IAG Executive Team through the IAG Diversity Working Group.</p>

CORPORATE POLICY FRAMEWORK

	<p>The effectiveness of this policy and progress against each year's measurable objectives will be reported quarterly to internal stakeholders, and disclosed annually to external stakeholders in the Workforce Sustainability section of the IAG Annual Report. This will include the proportion of women employed throughout the whole organisation, in senior executive positions and serving on the board.</p> <p>The Nomination Remuneration and Sustainability Committee of the IAG Board review the progress of the IAG Diversity Working Group at every committee meeting. A statement as to the mix of skills and diversity which the board of directors is looking to achieve in membership of the board is included in the corporate governance statement in the IAG Annual Report.</p>
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