

SECURITY TRADING POLICY

OVERVIEW OF THE POLICY

Statement of Purpose and Coverage

Directors and employees of IAG and its subsidiaries are encouraged to be long term holders of IAG Securities. Directors, employees and contractors need to exercise care however when dealing in IAG Securities as they are more likely to possess confidential or inside information about IAG which could give them an advantage as compared with other IAG security holders in forming judgements about the performance of IAG Securities.

This policy exists to ensure that ALL employees, contractors and directors (including their “associates”) of IAG and its subsidiaries are aware of their responsibilities when they are in possession of inside information. The policy also sets out a protocol for dealing in IAG Securities by Designated Persons.

The purpose of this policy is to:

- Assist IAG employees, contractors and directors to avoid prohibited conduct in relation to IAG Securities, including conduct known as “insider trading”;
- Protect IAG against damage to its reputation where it has been alleged, or there is a perception, that directors, senior executives or others may have been trading in IAG securities when in possession of inside information about IAG Securities; and
- Help IAG meet its obligations under corporations law and listing authority rules.

Policy Summary/Statement

Directors, employees, contractors and their “associates” must not trade in IAG Securities when in possession of inside information or give inside information to any other person who is likely to use it to trade in IAG Securities or to pass the information onto others to trade in IAG Securities.

Exemptions from this policy

This policy applies to IAG and all of its subsidiaries.

This policy does not apply to:

- Trading in securities in a managed securities portfolio where the Designated Person is not in a position to influence the portfolio investments;
- Acquiring IAG ordinary shares under IAG’s Dividend Reinvestment Plan where the Designated Person has made a standing instruction to reinvest dividends, subject to the conditions outlined in section 3 below; and
- Designated Persons who are issued IAG Securities or exercise their rights to acquire IAG Securities under an IAG director or employee share plan, provided that once IAG Securities are issued or transferred to Designated Persons, they only trade the relevant IAG Securities in accordance with this policy.

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1. Key Principles

Directors, employees, contractors and their associates may not trade in (i) IAG Securities while in possession of inside information relating to IAG or (ii) securities of other entities while in possession of price sensitive information relating to these other entities.

Also, they must not give inside information to any other person who is likely to use it:

- for deciding whether to trade in those securities; or
- to pass the information onto others for this purpose.

2. Definitions

Associate: a person over whom a director, employee or contractor has or is deemed to have investment control or influence or with whom they are acting in concert.

Examples include spouses, partners, family members, nominees (including an investment manager managing funds on their behalf), a trust of which they are a trustee or beneficiary. A person in partnership, or acting in concert with them and a company of which they or their family control.

Blackout Periods: are the periods between the 1 January and one day following the announcement of the half year results and 1 July and one day following the announcement of the full year results. Designated persons and persons designated by the NRSC must not Trade in IAG Securities during these periods except in Exceptional Circumstances and with the prior approval of the NRSC.

Board: the Board of IAG.

Designated Persons: persons and their associates who because of their position may come into possession of price sensitive information and who have been designated by the Senior Manager Risk & Compliance Corporate Office. The following groups and/or individuals are Designated Persons:

- Directors;
- Group Executives and their direct reports;
- EA's/PA's of Group Executives and their direct reports;
- All members of the IAG "M&A Community" plus any individual requested to work on due diligence and/or M&A transactions until advised otherwise;
- All members of IAG Group Secretariat;
- Employees in IAG Group Finance who are designated by the Head of Group Finance and Treasury from time to time; and
- Employees in IAG Asset Management who are designated by the Chief Investment Officer from time to time;
- Any other Persons Designated by the NRSC.

If you are in any doubt as to whether you are a designated employee please contact the Senior Manager Risk & Compliance Corporate Office.

Director: a non executive or executive director of IAG and/or its subsidiaries.

Exceptional Circumstances: include financial hardship, the transfer of holdings between an indirect or direct holding where the overall beneficial interest of the holder in IAG Securities does not change, the disposal of IAG Securities pursuant to the terms of a Secured Loan or such other circumstance determined by the NRSC.

Communication of inside information: occurs when a person who possesses inside information directly or indirectly communicates that information to another person if the first person knows, or ought reasonably to know, that the other person would or would be likely to trade in IAG Securities or procure another person to trade in IAG Securities.

Contractor: a person who has a fixed term contract with the IAG group.

IAG: Insurance Australia Group Limited.

IAG Securities: ordinary shares, other listed equity, debt and hybrid securities issued from time to time by IAG (such as Reset Preference Shares and Subordinated Notes) or its subsidiaries (such as the Reset Exchangeable Securities issued by IAG Finance (New Zealand) Limited), financial products issued or created in relation to IAG Securities by third parties (such as warrants, options, contracts for difference and other derivatives), other financial products which operate to limit, leverage or increase the economic risk in holding IAG Securities, and any other financial products which the NRSC determines from time to time should be included in this definition.

Inside information: information that is not generally available and, if it were, a reasonable person would expect it to have a material effect on the price or value of IAG Securities. That is, the information would or would be likely to influence persons who commonly acquire financial products in deciding whether to trade in IAG Securities.

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Examples of inside information include:

- Consideration by IAG of a major acquisition or disposal of an asset/s;
- Material changes in IAG's actual or forecast financial condition or business performance;
- A change in executive management or to the composition of the Board;
- A proposed dividend or change in IAG's dividend policy; and
- A proposed share issue, return of capital or other significant capital transaction.

Insider trading: occurs when a person who possesses inside information:

- Trades in IAG Securities; or
- Procures someone else to trade in IAG Securities.

Mandatory Holdings: the holding of IAG ordinary shares required to be attained by:

IAG Directors: within three years from the date of their appointments equivalent to their IAG Board fee;

Chief Executive Officer and Group Executives: within four years of their appointments equivalent to:

- For the Chief Executive Officer: IAG ordinary shares with a value of two times base salary; and
- For each Group Executive, IAG ordinary shares to a value equal to base salary,

NRSC: IAG Nomination, Remuneration & Sustainability Committee.

Persons designated by the NRSC: persons and their associates who because of their position regularly come into possession of price sensitive information and who have been designated by the NRSC. These persons are:

- IAG Directors and IAG Company Secretaries;
- IAG Group Executives; and
- Other senior managers as determined by the NRSC from time to time.

Secured Loan: a loan arrangement under which the lender or a third party is granted, or may unilaterally claim, security over or title to, any IAG Securities, including margin loans.

Trade in IAG Securities means apply for, acquire or dispose of IAG Securities or enter into an agreement to do so. For the avoidance of doubt, the exercise by Designated Persons of their rights to acquire IAG Securities under an IAG director or employee share plan is not 'Trading in IAG Securities' provided that once IAG Securities are issued or transferred, they are only traded in accordance with this policy.

3. Requirements for Designated Persons and persons designated by the NRSC

Designated Persons

Designated Persons may only trade in IAG Securities during certain share trading windows and only while they are not in possession of inside information.

All other IAG employees and contractors may trade in IAG Securities at any time, subject to them not engaging in insider trading.

Insider trading and communication of inside information are criminal offences. If IAG employees, Directors, contractors or their associates have or have access to inside information and misuse it by trading in IAG Securities or passing it on to unauthorised people, serious penalties may apply to IAG and the individual involved in the contravention, including substantial fines and liability to compensate third parties for loss suffered.

Share trading windows

Trading in IAG Securities by Designated Persons is restricted to the trading windows below. Each window is a four week period commencing on the date which is two ASX trading days after the following events:

- The half year results announcement;
- The final results announcement and;
- The annual general meeting.

The Board at its discretion may designate additional share trading windows (e.g. following the issue by IAG or an IAG subsidiary of a prospectus or in a period of enhanced disclosure).

Trading during these periods is, of course, subject at all times to the prohibition on insider trading and communication of inside information outlined above.

Persons designated by the NRSC

Persons designated by the NRSC may only trade in IAG Securities (including in Exceptional Circumstances) after they have received prior written consent from the NRSC and provided they are not in possession of inside information and complied with any conditions on trading in IAG Securities that the NRSC imposes.

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No speculative trading in IAG Securities

Designated Persons must not engage in short-term or speculative trading in IAG Securities.

Transactions that limit economic risk of unvested entitlements to IAG Securities

Unvested entitlements to IAG Securities

Designated Persons, and any other person who is included in the category of relevant 'responsible persons' covered by the IAG Group Remuneration Policy may not enter into transactions or arrangements which operate to limit the economic risk of unvested entitlements to IAG Securities (such as Executive and Performance Award Rights, and Deferred Award Rights).

Vested entitlements to IAG Securities which form part of Mandatory Holdings

IAG Directors, the Chief Executive Officer and Group Executives are prohibited from entering into transactions or arrangements which operate to limit the economic risk of their vested IAG Securities which form part of their Mandatory Holding of IAG ordinary shares.

Dividend Reinvestment Plan

Designated Persons may only elect to participate in IAG's Dividend Reinvestment Plan or change their election during a trading window.

Secured Loans

Group Secretariat will monitor on an ongoing basis (from the relevant Forms 3X, Y and Z lodged with the ASX) the percentage of each class of IAG Securities held in aggregate by the Directors of IAG (and, where relevant, their associates) and will notify the Chair of the NRSC immediately should their aggregate holding of any class of IAG Security reach 1%.

Immediately following such a notification, Group Secretariat will require each IAG Director to notify the Group Company Secretary of any Secured Loan to which they or an associate are a party in relation to IAG Securities and the key terms of each such Secured Loan (as determined at the relevant time by the Company Secretary).

The NRSC will determine from time to time whether an announcement is required under Listing Rule 3.1 in relation to any Secured Loans notified to the NRSC in accordance with the above.

If an announcement is required, it will be made in accordance with the IAG Continuous Disclosure Policy.

For the avoidance of doubt, this Policy does not prohibit:

- a Designated Person from granting a power of attorney to a third party to sell his/her IAG Securities pursuant to the terms of a Secured Loan; or
- a lender or third party trading in IAG Securities (including outside of a designated trading window) pursuant to the terms of a Secured Loan.

4. Acknowledgment, notification of trading and trading consents

Acknowledgement

Designated Persons are required to sign a 'Share Protocol Acknowledgement'. The Senior Manager Risk & Compliance Corporate Office will arrange to send a copy of this form to the relevant Designated Person for completion and return.

Securities dealing report

Designated Persons who trade in IAG Securities (at any time) in their own name or by their associates must complete a copy of the Securities Dealing Report.

This Report must be completed and returned to the Senior Manager Risk & Compliance Corporate Office within five working days of trading in IAG Securities.

If Designated Persons or Persons designated by the NRSC wish to elect, or change their election, to participate in IAG's Dividend Reinvestment Plan, this Report must be completed and returned to the Senior Manager Risk & Compliance Corporate Office within five working days of the election or change of election.

NRSC consent

Persons designated by the NRSC who wish to trade in vested IAG Securities; and Designated Persons who wish to trade during "blackout periods" must first complete an NRSC Consent Request.

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The NRSC Consent Request is to be returned to Group Secretariat who will arrange for this form to be sent to two members of the NRSC for their consideration and, if considered appropriate, consent to the proposed transaction. At least five business days should be allowed for NRSC consent to be obtained once the NRSC Consent Request is received by Group Secretariat.

The NRSC may determine not to consent to the proposed transaction at a particular time and/or impose conditions or restrictions on the proposed transaction. In exercising its powers, the NRSC will endeavour to act reasonably and not to unduly restrict the rights of persons to manage their financial affairs.

In the event that the NRSC consents to an individual's request to trade in IAG Securities, the individual is not absolved from deciding whether it is appropriate to trade in IAG Securities considering the prohibitions on trading when in possession of inside information.

5. Roles and Responsibilities

NRSC has the responsibility for:

- reviewing this policy and recommending approval by the Board of amendments of the policy from time to time;
- determining whether announcements are required under Listing Rule 3.1 in relation to any Secured Loans notified to it;
- designating certain directors, group executives and other senior managers as requiring the prior written consent of the NRSC before the relevant person may trade in IAG Securities; and
- approving trading in IAG securities by employees designated by the NRSC and Designated Persons during "blackout" periods.

Board: has the responsibility for approving this policy.

Group Secretariat: has the responsibility to obtain NRSC consent before Persons designated by the NRSC may trade in vested IAG Securities and to liaise with the IAG Disclosure Committee should the NRSC determine that an announcement is required under Listing Rule 3.1 in relation to any Secured Loan notified to it.

Senior Manager Risk & Compliance Corporate Office: has responsibility, with the assistance of Group Secretariat, to maintain appropriate records to give effect to this policy, including the Designated Persons database, Share Protocol Acknowledgement, the Securities Trading Report, NRSC Consents and NRSC Notifications.