



CEO Address to 2024 AGM

Nick Hawkins, Managing Director and CEO

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Thank you, Tom and good morning, ladies and gentlemen.

To begin, I also acknowledge the traditional owners of the lands on which we meet: the Gadigal people of the Eora nation, and I pay my respects to their elders past, present and emerging.

It's great to be with you today, and to have the opportunity to talk about the improvements we have made, how our business is performing, and importantly, share my pride in what we have achieved.

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We play an important role
Making your world a safer place



Annual General Meeting
24 October 2024

Delivering on our purpose

		
Helping customers when they need us most	Building customer and community resilience	Making Australia and New Zealand safer and stronger

For the long-term success of our company – and our countries

We continue to be guided by our purpose – to make your world a safer place – and by our strategy of creating a stronger and more resilient IAG.

We believe that we have an important role to play across Australia and New Zealand:

- Helping our customers when they need us most
- Building customer and community resilience

- And making Australia and New Zealand safer and stronger.

These activities are important for the long-term success of our company – and in fact for our countries.

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Helping our customers

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Helping customers manage risk is at the centre of our purpose to make your world a safer place

<p>\$10,747 million claims paid</p> <p>(up from \$10,203 million in FY23)</p>	<p>Customer experience scores</p> <p>+46.8 +50.0</p> <p>Australia New Zealand</p> <p>Australia: +49.5 in FY23 New Zealand: +50.3 in FY23</p>	<p>NRMA Insurance</p> <ul style="list-style-type: none"> • Now national (excluding Victoria) • Entering its 100th year • Transitioning to a Help Company • Australia's Most Trusted Insurance Brand 2024¹
<p>6.2 million+</p> <p>Direct customers in Australia and New Zealand at 30 June 2024</p>	<p>NZI</p> <p>165 years of being there for New Zealand businesses</p> <p>May 2024</p>	<p>AMI Insurance Hubs</p> <p>Launched in Auckland and Christchurch in February 2024</p> <p>Canstar Car Insurer of the Year 2023 (New Zealand)</p>

¹ Roy Morgan Most Trusted Brands awards, October 2024

Let's start with our customers.

The current economic environment has led to a real focus on the increased cost of goods and services. And that includes insurance, where premium increases reflect the higher costs we have been paying for suppliers, parts, trades, and reinsurance.

In this context, we've taken a range of actions to help our customers:

- We've waived premium excesses, we've extended temporary accommodation arrangements and we've introduced flexible payment options – some of them fee-free – for our retail customers.
- We've enhanced training for our frontline teams, and we are using AI tools to better identify and help our vulnerable customers.
- We've hired more people and reshaped our end-to-end claims experience to resolve claims faster.
- More directly, we paid nearly \$11bn in claims over the financial year, making it around \$47 billion in claims paid over the past 5 years.

We are also doing what we can to manage our own costs, which of course helps our customers.

A good example is the multi-year reinsurance perils cover we announced in June, which helps stabilise the impact of increased reinsurance costs in the event of further extreme weather.

Encouragingly, when we look ahead for our customers, we see the potential to limit future premium increases driven by reinsurance and natural perils costs.

In Australia, our industry has been the subject of a government inquiry into the way we and other insurers responded to customers affected by the catastrophic 2022 floods.

The inquiry was an important opportunity for us to listen, learn and build on the changes we have already made since those floods, to ensure we provide the support our customers expect.

The recommendations from that inquiry were handed down late last week. We are now reviewing these, and will work with the industry, Government and regulators to further ensure better customer and community outcomes.

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Building community resilience

Helping to build safer, more resilient communities

- \$9.8 million**
Invested in community initiatives
- Wild Weather Tracker**
Sharing claims data and weather insights to help communities prepare for local weather risks
- 6,452 hours**
Volunteered by our people
- \$1.3 million**
Spent with Indigenous suppliers (up 24% from FY23)
- 1.01 million**
Number of people who have taken action to reduce risk
- Partnerships**
 - South Australian State Emergency Service
 - Australian Red Cross
 - GIVIT
 - Lifeline Australia

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We continue to focus on building customer and community resilience.

As you know, we do expect more frequent and severe extreme weather in Australia and New Zealand as a result of climate change.

That's why we continue to educate communities about their local risks and how to better prepare for extreme weather.

We launched NRMA Insurance Help Nation education programs with the Australian Red Cross which will deliver more than 2,000 community workshops over the next three years.

With our ROLLiN' brand, we are incentivising safety on our roads by offering potential discounts on monthly premiums based on customers' driving habits.

In New Zealand, our AMI Insurance team holds Driver Reviver events during long weekends and holidays to help reduce driver fatigue. The team also organises Tradie breakfasts which include tool engraving and other safety actions.

More broadly... we are making Australia and New Zealand safer and stronger.

We are raising public awareness of climate change impacts through initiatives like our Wild Weather Tracker.

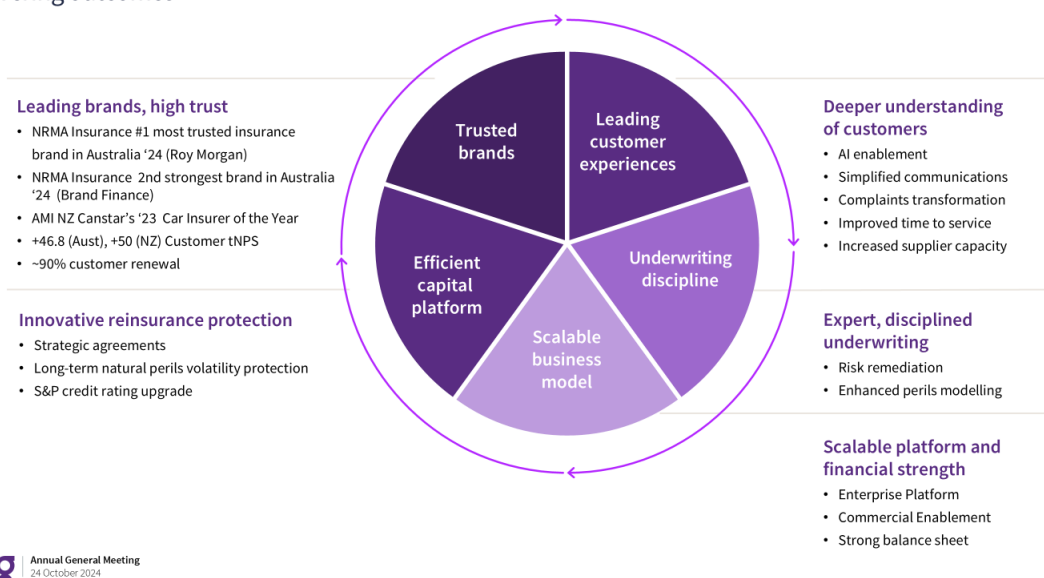
And in both our countries, we partner with communities, industry and government because climate change remains our shared focus.

We have an important role to play in this space, and I'm proud of the contributions our company makes.

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Building strength and resilience

Delivering outcomes



Going forward, we are positioning ourselves for growth.

I'll start with our valued brands...

- In Australia, NRMA Insurance was recently named as the most trusted insurance brand in Australia for the third year in a row. We're building on this leadership with the launch of A Help Company – you will have seen this during the Olympics, and you will see more in summer with our cricket sponsorship.
- Our customer experience measures of plus 50 in New Zealand and 46.8 in Australia reflect the strength of our businesses.

We have invested in new technology and people, with a focus on customer improvements, particularly in claims. This will help us deliver a better experience when our customers need us most.

In terms of new technology, we now have a single, consistent policy, pricing and claims engine, across our entire retail business. Internally, we call this the Enterprise Platform. It is built for scale; and it is built for growth.

We already have 2.3 million customers on this platform, and 300,000 more are renewing on to it each month as we move all of our 5 million retail customers here.


We saw the benefits in action last year when we set up our ANZ bank partnership arrangement and migrated 126 thousand policies straight on to the platform.

We've also had a real focus on underwriting capability. It remains a core strength and has been a huge focus over the past couple of years.

This was evident in the FY24 results our Intermediated Insurance business achieved in Australia. We've also implemented a new, more sophisticated pricing engine in our retail business which integrates the expertise of our in-house climate scientists.

Our financial strength and strong capital position help ensure that we can fulfil our role as a financial shock absorber in Australia and New Zealand.

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Delivering for our shareholders

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We aspire to deliver top quartile shareholder returns

<p>Net profit after tax \$898m Up 7.9%</p>	<p>Insurance profit \$1,438m Up 79.1%</p>	<p>GWP \$16.4bn Up 11.3%</p>
<p>17.0 cents per share final dividend Full year dividend of 27.0 cents per share Up 80% on FY23</p>	<p>\$550m Capital returned to shareholders over the past two years</p>	<p>Reported insurance margin 15.6% Above 13.5% - 15.5% FY24 guidance range</p>
<p>Return on Equity of 13.5%</p>	<p>571,841 Shareholders at 30 June 2024</p>	<p>29.4% Total shareholder return</p>

Our efforts for our customers and our community deliver:

- Strong brands
- Strong opportunities for our people
- And strong financial results.

And these will continue to be a defining feature of how we run IAG.

We know it's important that we continue to deliver strong returns to our shareholders, because you provide us with the capital that delivers a stronger Australia and New Zealand.

We have set targets to achieve appropriate through the cycle returns of:

- 15% insurance margin
- And a 14 – 15% return on equity

Looking back over the last four years, our returns have not reached this level, as our performance has been affected by significant perils, and other internal and external issues.

Pleasingly, our FY24 outcomes are much closer to those medium-term targets.


That enabled us to increase our dividends by 80% on last year.

We have also returned \$550 million in capital to shareholders via on-market buybacks over the past two years.

And shareholders have benefitted from our strong share price performance.





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Focus on our people



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Our people are the difference: bringing our purpose to life and delivering our strategy

Culture results		Diversity targets	
 87% completed annual culture survey (up from 83% in FY23)	 72% engagement score (down from 74% in FY23)	 50% women in senior management in FY24	 3.0% Australian employees identify as Aboriginal and Torres Strait Islander by FY25

IAG Academy

Leadership development and capability uplift

Lost Time Injury Frequency rate

1.4% Across Australia and New Zealand (Target: 1.2%)


Moving to our people, I am really proud of the 14,000 people who work at IAG and the way they look after our customers when they need us most.

We want our people at IAG to represent the communities in Australia and New Zealand. So we welcome all forms of diversity and make sure that we provide a safe and inclusive workplace. Our people are committed to our purpose, our customers and the importance of us having a strong risk culture.

We have a real focus on recruiting the right people in the first place, on retaining them, and providing them with development opportunities that help them to grow their skills during their career with us, and importantly, to thrive as people.




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Taking action for the environment



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Managing our environmental impacts by reducing our footprint and improving our energy and waste efficiency

 19.7% Total scope 1 and 2 emissions reduction against FY21 baseline reporting boundary	 Renewable energy Contracts to procure renewable energy for IAG sites	 \$309 million Invested in green bonds (up 30% from FY23)
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Let me make a few comments on climate, where we play a big role in supporting people and communities affected by changes in the environment in Australia and New Zealand. In fact, understanding, pricing and reducing risk are at the heart of our business.

We have a hundred year plus history of understanding climate. We share that knowledge with local, state and federal governments to influence where we build and how we build in the future to reduce risk.

This year we updated our Climate Action Plan, a key priority in our broader Sustainability agenda.

Even though we are a relatively small emitter, of course we need to have our own house in order, so we are taking actions to improve our energy and our waste efficiency.

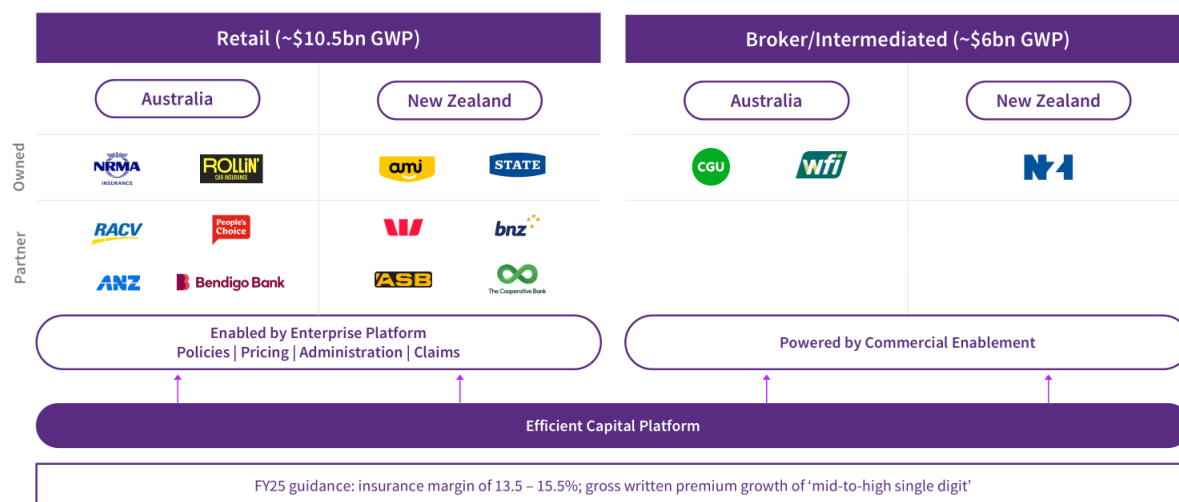
For example, in September, we announced that we are migrating our entire tool of trade fleet – around 900 vehicles – to electric or hybrid cars.

And we have done some important work with our electricity suppliers to move to renewable energy at our sites in Australia, and New Zealand.

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A stronger, more resilient IAG

Scalable business positioned for growth



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Going forward, I increasingly see our business in three parts:

- a Retail business,
- an Intermediated business
- and the way we fund them through our Capital platform.

Our retail businesses in Australia and New Zealand include some of the most recognised and trusted brands in their markets. And our quality products, scale, technology and pricing capability mean we can better support our partners with their insurance offerings.

Our intermediated businesses also benefit from quality and trusted brands but have distinct products, distribution and technology requirements. And of course this requires different capabilities, and a specific focus.

And critically, we will continue to deliver an efficient capital platform to support our businesses, optimise our capital structure, and reduce volatility. This strategy has allowed us to return capital over the past two years, and we are continuing with this in 2024.

In the near term, we have provided guidance for FY25 for achieving an insurance margin of 13.5 – 15.5%, and gross written premium growth of 'mid-to-high single digit'.

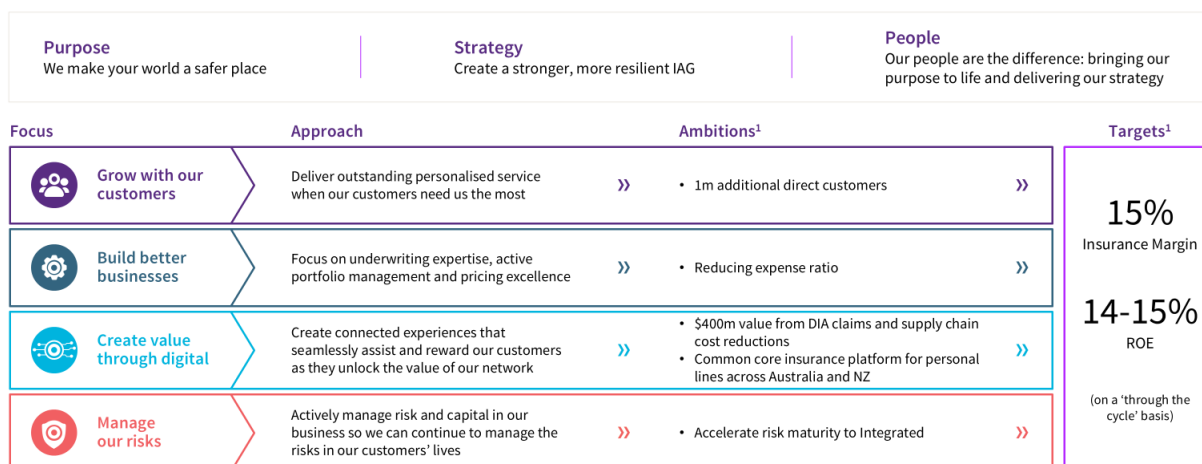
This also includes an assumption of natural perils being around 18% more than our allowance last year.

We have had relatively low natural perils in the first quarter, but of course we know that can change.

Given all of that, we are on track to deliver against the guidance we issued in August this year.

Strategic Focus

Clear and consistent IAG strategy



¹ These ambitions and targets are subject to assumptions and dependencies, including that there are no material adverse developments in macro-economic conditions and disruptions or events beyond IAG's control (for example, natural perils events in excess of IAG's allowances). As they span a number of years, these assumptions and dependencies have a greater level of uncertainty than financial year guidance. Refer to the Important Information disclaimer on page 2 of the FY24 presentation for further detail.

I'll close with our strategy, which has served us so well over the past four years.

By staying focused on our strategic priorities, we have created a stronger, more resilient IAG and we are better positioned today for growth.

I'm confident in our ability to deliver strong shareholder returns based around our through-the-cycle ROE target of between 14% and 15%.

I'll now hand back to Tom for the main business of the meeting.