



IAG considers a new Capital Notes offer

Insurance Australia Group Limited (**IAG**) today announced it is considering the launch of a new IAG Capital Notes offer (**Offer**) which may include a reinvestment offer for certain eligible holders of IAG Capital Notes issued in 2016 (**IAG Capital Notes 1 Holders**). Launch of the Offer remains subject to market conditions and regulatory and other approvals. Further details are provided below.

To help it consider the Offer, IAG expects to appoint UBS AG, Australia Branch, ANZ Securities Limited, Commonwealth Bank of Australia, Morgans Financial Limited, National Australia Bank Limited and Westpac Institutional Bank (a division of Westpac Banking Corporation) as Joint Lead Managers and LGT Crestone Wealth Management Limited as a Co-Manager (together the **Syndicate Brokers**).

Important changes due to the introduction of the Design and Distribution Obligations (DDO) regime

The introduction of the DDO regime has changed the requirements relating to the distribution of certain financial products (including IAG Capital Notes) to certain investors.

In response to the introduction of the DDO regime, IAG has made the decision that any future Offer (including any reinvestment offer) will be limited to wholesale investors, and retail investors receiving personal advice from a qualified financial adviser. As a result, any future Offer will not include a securityholder offer, that would have enabled existing IAG securityholders (such as IAG Capital Notes 1 Holders) to apply to IAG directly.

Investors wishing to participate in any future Offer, including any reinvestment offer, will need to do so through a Syndicate Broker or their affiliated brokers or a financial adviser associated with a Syndicate Broker or their affiliated brokers. There may be varying costs and time associated with engaging a financial adviser to provide personal advice and not all financial advisers will have access to an Offer.

ASIC has published guidance on choosing a financial adviser on its MoneySmart website at moneysmart.gov.au/financial-advice/choosing-a-financial-adviser.

Any future Offer will be made under a prospectus and any person wishing to apply through a Syndicate Broker or their affiliated brokers or financial adviser will need to complete an application form in or accompanying that prospectus.

IAG Capital Notes 1

Attached is a letter that will be sent to IAG Capital Notes 1 Holders relating to any future Offer. An equivalent communication will be sent to those IAG Capital Notes 1 Holders who have elected to receive electronic communications.

This release has been authorised by the Chief Financial Officer.

About IAG

IAG is the parent company of a general insurance group with operations in Australia and New Zealand. IAG's main businesses underwrite over \$13 billion of insurance premium per annum under many leading brands, including: NRMA Insurance, RACV (under a distribution agreement with RACV), CGU, SGIO, SGIC and WFI (Australia); and NZI, State, AMI and Lumley (New Zealand). For further information, please visit www.iag.com.au.

Media

Amanda Wallace
Mobile. +61 (0)422 379 964
Email. amanda.wallace@iag.com.au

Investor Relations

Mark Ley
Mobile. +61 (0)411 139 134
Email. mark.ley@iag.com.au

Insurance Australia Group Limited

ABN 60 090 739 923
Level 13, Tower Two, 201 Sussex Street Sydney
NSW 2000 Australia
Telephone. +61 (0)2 9292 9222



All Registrar communications to:

Computershare Investor Services Pty Limited
GPO Box 4709, Melbourne VIC 3001, Australia
Telephone (within Australia): 1300 360 688
Telephone (outside Australia): +61 3 9415 4210
Email: iag@computershare.com.au

20 October 2022

IAG considers a new Capital Notes offer

Dear IAG Capital Notes holder

Insurance Australia Group Limited (**IAG**) announced on 20 October 2022 that it is currently considering a new IAG Capital Notes offer (**Offer**). The Offer may include a reinvestment offer for certain eligible holders of IAG Capital Notes issued in 2016 (**IAG Capital Notes 1 Holders**).

The decision to launch an Offer is subject to market conditions and regulatory and other approvals.

The purpose of this letter is to inform you of important changes that would occur if the Offer proceeds.

To help us consider the Offer, we expect to appoint the Joint Lead Managers and Co-Manager (together, the **Syndicate Brokers**¹) listed below along with their contact details should you need to contact them.

Important changes to the eligibility requirements and the application process for any Offer

With the introduction of new laws known as the product design and distribution obligations in 2021 (**DDO**), IAG would change the way in which an Offer would be conducted compared to the previous IAG Capital Notes offer. These changes are important because some IAG Capital Notes 1 Holders may not be eligible to participate in any Offer.

If you wish to participate in any Offer, you would need to:

- satisfy the new DDO eligibility requirements by qualifying as a wholesale client or by obtaining personal advice from a qualified financial adviser if you are a retail investor; and
- make your application, including under a reinvestment offer², via a Syndicate Broker.

There would be no specific offer for IAG securityholders and there would be no ability to apply directly to IAG for any Offer.

What does this mean to you?

If you are interested in participating in any Offer, we encourage you to speak to your broker or other financial adviser about whether you qualify as a wholesale client or how to obtain personal advice if you are a retail investor. You may also consider becoming a client of a Syndicate Broker.

¹ Appointed syndicate brokers may differ for future IAG Capital Notes offers.

² Note that there is no right on the part of existing IAG Capital Notes 1 Holders to participate in any reinvestment offer should one be made available in the future.

The Australian Government's MoneySmart website contains details on choosing a financial adviser at moneysmart.gov.au/financial-advice/choosing-a-financial-adviser. There may be various costs, administrative effort and time considerations associated with engaging a financial adviser and not all financial advisers would have access to any Offer.

Taking these steps now may help you to participate in any Offer. For more information contact a Syndicate Broker, financial advisor or call the IAG Shareholder Information Line on 1300 360 688 (within Australia) or +61 3 9415 4210 (outside Australia).

Thank you for your investment and support.

Syndicate Broker contact details

	Investors seeking personal advice	Wholesale clients
Joint Lead Manager		
UBS AG, Australia Branch	Not available to retail investors	(02) 8121 5917
ANZ Securities Limited	Not available to retail investors	(02) 8037 0622
Commonwealth Bank of Australia	Not available to retail investors	1300 887 733
Morgans Financial Limited	(07) 3334 4837	(07) 3334 4837
National Australia Bank Limited	Not available to retail investors	(02) 7226 7880
Westpac Institutional Bank (a division of Westpac Banking Corporation)	Not available to retail investors	(02) 8253 4574
Co-Manager		
LGT Crestone Wealth Management Limited	Not available to retail investors	(02) 8422 5500

Important notices

- This letter is not an announcement of, and does not constitute, a new offer (or reinvestment offer) of IAG Capital Notes.
- Any Offer will be made under a prospectus that will be lodged with ASIC and made available when the securities are offered. If an Offer is announced, anyone wishing to apply is encouraged to contact their Syndicate Broker as soon as possible to express an interest in applying (no applications will be accepted until any Offer opens). Anyone wishing to apply for IAG Capital Notes must receive an allocation from a Syndicate Broker and complete the application form that will be in or accompany the prospectus.
- This letter does not constitute financial advice, or a recommendation for IAG Capital Notes, and does not take into account your personal situation, needs or objectives. As is always the case for an offer of IAG Capital Notes, we encourage you to take advice from your broker or financial adviser.