

CREATING SHARED VALUE

KEY MATERIAL ISSUES

During 2014, we identified five material issues:

BUILDING CUSTOMER CONFIDENCE
IAG continues to place our customers at the heart of everything we do.

AFFORDABILITY OF INSURANCE
In 2014, we extended our work on the issue of insurance affordability.

MITIGATION
We focused on pre-disaster resilience and continued to manage our own emissions.

SAFER COMMUNITIES
We continued to promote safety and resilience at home, in business and on the road.

A POSITIVE WORKPLACE
Our positive, inclusive workplace remained one of the keys to our success.

These material issues were constant considerations guiding our work during 2014.

IAG's strategy is focused on leveraging our market leadership in general insurance and risk management to create value for customers, partners, employees, shareholders and the communities in which we operate.

IAG is part of the communities in which we operate. We have an important role to play in helping communities to be safer, stronger and more confident. While we cannot eliminate risk, we can help the community and our customers to identify, minimise and manage risk and make informed decisions.

Creating safer and more resilient communities requires a collaborative effort so we are working with community groups, regulators, not-for-profit organisations and businesses on local, national and international initiatives.

We continue to push ourselves to identify new ways we can contribute to society as we manage our insurance businesses. This includes operating sustainably as an organisation, and actively seeking opportunities to contribute solutions to social challenges that deliver shared business, customer and community value. We believe the actions we take to create value for our customers, partners, people and the communities we serve, can also create value for our shareholders.

IAG knows an organisation's success is driven by its people and we remain committed to investing in career development and leadership, attracting and nurturing talent, embracing diversity and inclusion and creating an agile organisational culture.

PRINCIPLES FOR SUSTAINABLE INSURANCE

IAG is the only Australian-based general insurer that is a signatory to the United Nations Principles for Sustainable Insurance (PSI), and we co-chair its governing Board. The PSI has a vision of a risk-aware world where the insurance industry is trusted and plays its full role in enabling a healthy, safe, resilient and sustainable society.

The PSI principles clearly underpin IAG's approach to being a sustainable business and to working with government and community stakeholders, and we continue to work on embedding the principles in our business. More information on our commitment to the PSI is on our website (www.iag.com.au).


MATERIAL ISSUES IN 2014

Each year, we reassess our key material issues. We look at their importance to IAG's stakeholders and their impact on our financial performance and strategy. We also take into account the regulatory and competitive environment.

COMPLETE SUSTAINABILITY DATA

All IAG's non-financial metrics are reported online (www.iag.com.au, select Business Sustainability).

RECOGNITION FOR IAG'S SUSTAINABLE PRACTICES


FTSE4Good
FTSE4GOOD INDEX
Included in the FTSE4Good Index series.

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

DOW JONES SUSTAINABILITY INDEX
Ranked in the DJSI Asia Pacific and Australia in 2013.


CDP
DRIVING SUSTAINABLE ECONOMIES

CDP
Included in the CDP 2013 ASX 200 Climate Disclosure Leadership Index for the eighth consecutive year.