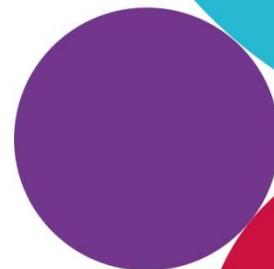
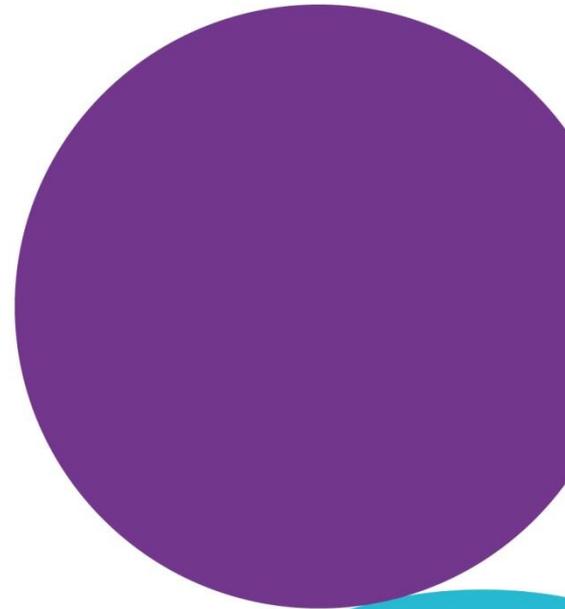
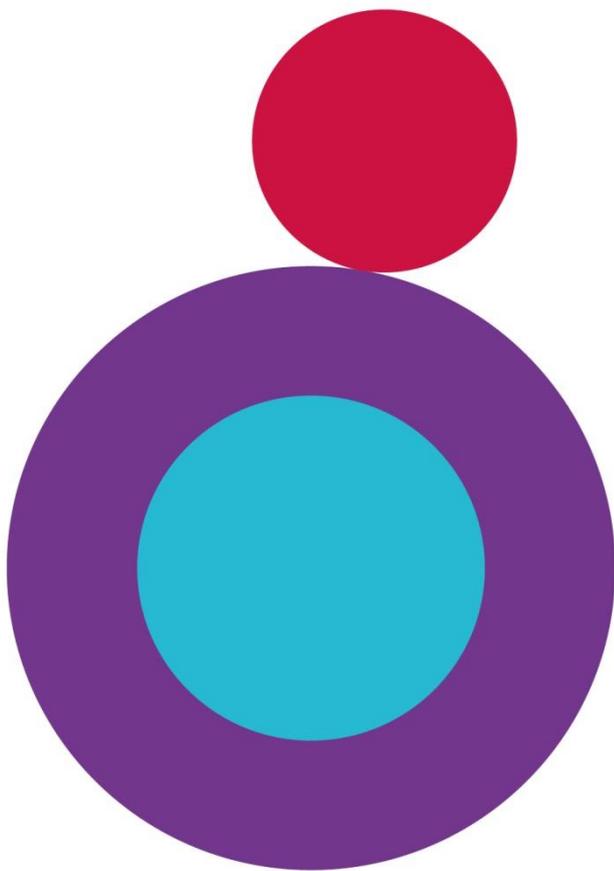




Group Security Trading Policy



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Group Security Trading Policy



Description

Directors, Employees and Contractors must exercise care when dealing in IAG Securities as they may possess confidential or Inside Information which could give them an advantage as compared with other investors in forming a judgement about the performance of IAG Securities.

This policy forms an important part of IAG's risk management framework and seeks to ensure that all Employees, Contractors and Directors (including their Associates) of IAG Group 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.



Key Information

IAG fully supports the principle that no person should be advantaged or disadvantaged through the improper use of Inside Information.

IAG expects a higher level of diligence from persons in roles that are likely to be exposed to Inside Information.



References and related policies

Dealing in IAG Securities or communicating information may also be subject to Group Policies, procedures and contractual arrangements including the:

- IAG Code of Ethics;
- Group Continuous Disclosure Policy;
- Group Fit and Proper Persons Policy;
- Group Remuneration Policy; and
- terms and conditions of employment contracts and terms and conditions of Non-Executive Directors' letters of appointment.

Directors, Employees and Contractors must comply with the requirements of these policies and contracts (as applicable) in addition to the requirements set out in this policy.



Further contacts

Further information about this Policy can be sought from the Group General Counsel & Company Secretary or the Board Services Team or by raising a query to directorsharetrading@iag.com.au.



Purpose

The purpose of this policy is to:

- assist Employees, Contractors and Directors by ensuring that they do not inadvertently breach the law by engaging in 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; and
- help IAG meet its legal and regulatory obligations.

This policy contains some general restrictions that apply to all Directors, Employees and Contractors of IAG Group. It also includes additional restrictions which apply to dealings in IAG Securities by Designated Persons, PARC Specified Persons, and their Associates. This policy applies at all times; including when a person is on leave (whether paid or unpaid) or on other absences from work such as a career break.

Directors, Employees and Contractors not only need to comply with this policy but also with applicable law, particularly insider trading laws. Irrespective of whether trading occurs in a Trading Window or outside a Trading Window (with PARC consent), no trading can occur if it involves the use of Inside Information.



Scope and exemptions

This policy applies to all IAG employees, Directors and contractors.

This policy does not apply to:

- indirect or incidental trading in IAG Securities that occurs as a consequence of a Designated Person dealing in units or shares of a managed investment scheme, listed investment company, exchange traded fund, or similar investment vehicle managed by a third party that happens to hold IAG Securities as part of its portfolio and 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 election to reinvest dividends, subject to the conditions outlined in section 3 below;
- Designated Persons who are issued IAG Securities or exercise their rights to acquire IAG Securities under an IAG Director or employee share or share right plan, provided that once IAG Securities are issued or transferred to Designated Persons, they or their Associates only trade the relevant IAG Securities in accordance with this policy;
- 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 that is the result of a secured lender or financier exercising its rights under a Secured Loan;
- trading by a Designated Person in his or her capacity as trustee of an IAG share or share right plan;
- acquisitions or disposals made pursuant to a takeover offer, scheme of arrangement, equal access buyback or pro-rata issue; and
- transfers of Securities between a Designated Person and their Associate in respect of which consent has been provided or by a Designated Person to his or her self managed superannuation fund (i.e. where there is equal information between that Designated Person and the trustee of the fund).



Requirements

Employees, Directors and Contractors must not:

- trade in IAG Securities when in possession of Inside Information;
- give Inside Information to any other person who is likely to use that information to trade in IAG Securities; or
- pass Inside information onto others to trade in IAG Securities.

Designated Persons may only trade in IAG Securities during a Trading Window if they are not in possession of Inside Information. Additionally, PARC Specified Persons must receive consent prior to dealing in IAG Securities even during Trading Windows. (see Table 1 for consent requirements)

A – All Employees and Contractors

Employees and Contractors must not:

- (i) deal in IAG Securities at any time if they possess confidential or Inside Information;
- (ii) give Inside Information to any other IAG Employee or Contractors unless there is a legitimate business reason to do so; or
- (iii) give Inside Information to any other person who is likely to use it:
 - a. for deciding whether to trade in those securities; or
 - b. to pass the information onto others for this purpose.

B - Designated Persons

A Designated Person or Associate may only trade in IAG Securities during a Trading Window except where the Chairman has expressly consented to a trade outside a Trading Window due to Exceptional Circumstances and then only if the Designated Person or Associate is not in possession of Inside Information at the relevant time.

C - PARC Specified Persons

A PARC Specified Persons or their Associate may only trade in IAG Securities during a Trading Window:

- (i) if they are not in possession of Inside Information at the relevant time; and
- (ii) the relevant PARC Specified Person has received prior written consent (see table below); and
- (iii) the relevant PARC Specified Person has complied with any conditions on trading in IAG Securities that have been imposed.

D - No speculative trading in IAG Securities

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

E - Transactions that limit economic risk of entitlements to IAG Securities (i.e. Hedging)

Unvested entitlements to IAG Securities

The following persons may not enter into transactions or arrangements which operate to limit the economic risk of vested entitlements to IAG Securities (such as Executive Performance Rights, Performance Award Rights and Deferred Award Rights):

- (i) Designated Persons

- (ii) Persons in Responsible Person roles, as defined by the Group Fit & Proper Persons Policy, excluding
 - a. Appointed Auditor, Responsible Auditor and Group Auditor
 - b. Any external Appointed Actuary and the Reviewing Actuary

Vested entitlements to IAG Securities which form part of Mandatory Holdings

IAG Directors, the Chief Executive Officer and the Group Leadership Team members are prohibited from entering into, varying or terminating 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.

F - Dividend Reinvestment Plan

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

G - Secured Loans

IAG Legal & Board Services 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 PARC immediately should their aggregate holding of any class of IAG Security reach 1%.

Immediately following such a notification, IAG Legal & Board Services will require each IAG Director to notify the Group General Counsel & 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 Group General Counsel & Company Secretary).

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

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

H. Record Keeping

PARC Specified Persons must keep, and make available to the Group General Counsel & Company Secretary on request, a record of all dealings in IAG Securities by themselves and their Associates, in the form of a record of every trade, including any supporting materials.



Consent Requirements

Provided they are not in possession of Inside Information a PARC Specified Person who wishes to trade in vested IAG Securities during a Trading Window must complete a Trading Consent Request (Annexure A) which is to be emailed to directorsharetrading@iag.com.au for consideration and, if considered appropriate, consent by the Group General Counsel & Company Secretary or Chairman as the case may be.

Chairman’s approval required for Trading outside a Trading Window

A Designated Person who asks to Trade in IAG Securities outside a Trading Window due to Exceptional Circumstances must first complete an Exceptional Circumstances Trading Consent Request (see Annexure B).

Consent to permit a trade due to Exceptional Circumstances will only be considered if the Exceptional Circumstances Trading Consent Request is accompanied by sufficient evidence (in the opinion of the IAG Chairman) that the proposed Trade in IAG Securities is the most reasonable course of action available in the circumstances.

The relevant Designated Person or PARC Specified Person will receive written notification of the Chairman’s decision in response to the Exceptional Circumstances Trading Consent Request and if consent is granted, then that decision will also specify the applicable period within which the trade must be completed. A copy of the Chairman’s decision will be retained by the Board Services Team.

For the avoidance of doubt, a waiver granted under the policy to permit a Designated Person to trade in IAG Securities in Exceptional Circumstances does not constitute a waiver from the requirement to comply with insider trading laws.

Each person remains responsible for their own investment decisions and their compliance with applicable law (including the insider trading prohibitions) and this policy.

PARC Specified Persons and Designated Persons who deal in IAG Securities outside a Trading Window must submit a completed Notification of Dealing (Annexure C) to the Deputy Company Secretary & Legal Counsel.

Consent Process:

The Group General Counsel & Company Secretary will review the trading request and seek consent or provide consent as described below.

Table 1

Consent Request From	Consent Provided By
Designated Person & PARC Specified Persons trading outside a window	Chairman of the IAG Board
PARC Specified Persons excluding IAG CEO & Non-Executive Directors	Group General Counsel & Company Secretary
IAG CEO, Non-Executive Directors (except Chairman) & Group General Counsel & Company Secretary	Chairman of the IAG Board
Chairman of the IAG Board	IAG Audit Committee Chairman

The IAG Chairman and/or the Group General Counsel & Company Secretary 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 his/her powers, he/she will endeavour to act reasonably and not to unduly restrict the rights of persons to manage their financial affairs.



Roles and Responsibilities

PARC: has the responsibility for:

- reviewing this policy and recommending approval by the Board of amendments to the policy from time to time;
- determining whether announcements are required under ASX Listing Rule 3.1 in relation to any Secured Loans notified to it; and
- designating certain Directors, Group Leadership Team and other senior managers as requiring the prior written consent of the PARC before the relevant person may trade in IAG Securities.

IAG Chairman: has the responsibility for approving trading in IAG Securities by Non-Executive Directors, IAG CEO, Group General Counsel & Company Secretary and Designated Persons outside a trading Window in Exceptional Circumstances.

Board: has the responsibility for approving this policy.

Group General Counsel and Company Secretary has the responsibility to:

- approve trading in IAG Securities by PARC Specified Persons (excluding Non-Executive Directors, IAG CEO, IAG Company Secretary);
- obtain and retain evidence of trading consents before PARC Specified Persons and Non-Executive Directors may trade in vested IAG Securities and to liaise with the IAG Disclosure Committee should the PARC determine that an announcement is required under ASX Listing Rule 3.1 in relation to any Secured Loan notified to it; and
- maintain appropriate records to give effect to this policy, including the Designated Persons database and Notification of Dealing (Annexure B).



Non-compliance with Policy

Compliance with this policy is regularly monitored, including, through regular attestation process. In addition periodic monitoring will be conducted by the Internal Audit Function as part of its reviews.

Any breach of this policy must promptly be notified to the Group General Counsel & Company Secretary.

When there is evidence of a breach of this policy, IAG will conduct an investigation to determine the circumstances and extent of the breach. IAG may also have obligations to notify relevant authorities of any insider trading of which it becomes aware.

IAG takes insider trading very seriously. Disciplinary action may result from breaching this policy, which may include termination of employment for Employees and termination of engagement for Directors and Contractors. The disciplinary action will be based on the circumstances and factors such as severity of the breach, if done knowingly and deliberately, the intent, number of breaches, and, if a repeat breach.

Insider Trading and communication of Inside Information are criminal offences. If Employees, Directors, Contractors or their Associates are in possession of 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.

Liability for insider trading is strict and so is the requirement to comply with this policy. In considering the consequences of breach of this policy, the purpose or motive for the dealing is irrelevant. It is also irrelevant whether anyone benefited from the dealing or that the

Group Security Trading Policy



Continued.

transaction had no connection with the Inside Information (e.g. if the transaction had been planned for some time prior to acquiring Inside Information).

Authorisation and document history

 Policy Owner	Group General Counsel & Company Secretary
Approver	Insurance Australia Group Limited.

Date of review	Summary of changes	Version #	Date approved	Date effective
24 November 2017	<p>Annual policy review: primary amendment relates to the trading window opening one day after the announcement of half and full year results and one day after the annual general meeting. Other minor changes include:</p> <ul style="list-style-type: none">the requirement for PARC Specified Persons to maintain records of their dealing;re-format to incorporate into new Policy Template; andcorrection of minor grammatical errors.	1	24 Nov 2017	24 Nov 2017



Glossary

Associate	<p>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.</p> <p>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.</p>
ASX Trading Day	<p>a day determined by ASX to be a trading day as defined under the ASX Listing Rules.</p>
Board	<p>the Board of Insurance Australia Group Limited</p>
Communication of inside information	<p>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 a third person to trade in IAG Securities.</p>
Company Secretaries	<p>a Company Secretary of a Specified Board.</p>
Contractor	<p>a person who has a fixed term contract with, or is on a secondment to, the IAG Group.</p>
Designated Persons	<p>means the following persons who because of their position may come into possession of Inside Information:</p> <ul style="list-style-type: none">• direct reports of the Group Leadership Team;• Executive Assistants and Personal Assistants of the Group Leadership Team (GLT) and their direct reports;• all members of IAG Legal & Board Services, and Corporate Affairs and IAG Group Investor Relations;• employees who are designated by a GLT member or a direct report of a GLT member from time to time. Such employees will be notified of their designation by their risk and compliance team;• PARC Specified Persons; and• Non-Executive Directors <p>If you are in any doubt as to whether you are a Designated Person please contact your Risk & Compliance representative.</p>
Director	<p>a Non-Executive or executive Director of a Specified Board.</p>
Employee	<p>all full-time, part-time and casual employees of the IAG Group.</p>

Group Security Trading Policy



Continued.

Exceptional Circumstances	Includes but is not limited to: <ul style="list-style-type: none">• severe financial hardship• compulsion by court order or court enforceable undertaking (for example, a bona fide family settlement)• some other overriding legal or regulatory requirement to transfer or accept transfer of Securities, or• such other circumstance determined by the IAG Chairman.
Group Leadership Team or Group Leadership Team member	direct reports of the Managing Director and Chief Executive Officer and other executives who are members of the Group Leadership Team.
IAG	Insurance Australia Group Limited.
IAG Group	IAG and its subsidiaries.
IAG Securities	a Security issued by or created in IAG or its subsidiaries.
Inside Information	<p>Information that is not generally available and, if it were, that a reasonable person would expect to have a material effect on the price or value of Securities. That is, the information would or would be likely to influence persons who commonly acquire financial products in deciding whether to trade in Securities.</p> <p>Examples of Inside Information in respect of IAG Securities include:</p> <ul style="list-style-type: none">• 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: <ul style="list-style-type: none">• 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: <ul style="list-style-type: none">• IAG Directors: within three years from the date of their appointments equivalent to their IAG Board fee;• Chief Executive Officer and GLT: within four years of their appointments equivalent to:<ul style="list-style-type: none">• for the Chief Executive Officer: IAG ordinary shares with a value of two times base salary; and• for each GLT member, IAG ordinary shares to a value equal to base salary.

Group Security Trading Policy



Continued.

Non-Executive Directors	Directors of a Specified Board.
PARC	IAG People and Remuneration Committee.
PARC Specified Persons	<p>persons who because of their position regularly come into possession of price sensitive information and who have been designated by the PARC. These persons are:</p> <ul style="list-style-type: none">• Non-Executive Directors and Managing Director & CEO;• GLT members;• Company Secretaries of a Specified Board; and• other senior management roles as determined by the PARC 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.
Securities	ordinary shares, preference shares, debentures, convertible notes and financial products (such as warrants, options, performance rights, contracts for difference and other derivatives) relating to, or which operate to limit, leverage or increase the economic risk in holding, those securities, and any other financial products which the PARC determines from time to time should be included in this definition, whether or not the securities or the financial products are issued or created by IAG Group or third parties.
Specified Board	<p>includes the following Boards:</p> <ul style="list-style-type: none">• Insurance Australia Group Limited;• IAG Finance (New Zealand) Limited; and• Insurance Manufacturers of Australia Pty Limited.
Trading Windows	<p>are the periods during which Designated Persons, PARC Specified Persons and Non-Executive Directors may trade in IAG Securities. Each window is open for a period (typically twenty business days) commencing on the date which is one ASX Trading Day after the following events:</p> <ul style="list-style-type: none">• the half year results announcement;• the final results announcement and;• the annual general meeting. <p>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).</p>
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.



Appendices

Annexure A Trading Consent Request

*This form must be completed by **PARC Specified Persons only.***

This form must be emailed to directorsharetrading@iag.com.au

TO: Group General Counsel & Company Secretary
Insurance Australia Group Limited
C/- Deputy Company Secretary & Legal Counsel

Notification of Proposed Trading in IAG Securities

A. Date(s) of proposed trade	
B. Type of IAG Security	<input type="checkbox"/> Ordinary Share <input type="checkbox"/> Other:
C. Number of IAG Securities	
D. Price(s) (if applicable)	\$..... (Per security)
E. Type of trading	<input type="checkbox"/> Sale <input type="checkbox"/> Purchase <input type="checkbox"/> Other (incl. hedging of vested entitlements) If Other, description of dealing:
F. Name of person trading. If not you: <input type="checkbox"/> Controlled entity, or <input type="checkbox"/> Associate (see notes)	
G. IAG Securities held before dealing	
H. Plus (less) dealing (from C)	
I. IAG Securities held after dealing	

Group Security Trading Policy



Continued.

Acknowledgement:

I confirm the following:

- I have read and understand the Group Security Trading Policy and confirm that the above dealing will not contravene the Group Security Trading Policy or any applicable laws.
- The above dealing will not occur until approval in accordance with the Group Security Trading Policy is given, and then only in accordance with the Group Security Trading Policy (including in relation to the time period for which the approval is valid).
- I understand that approval under the Group Security Trading Policy (if given) will not be an endorsement of the above dealing, and that I remain individually responsible for complying with any applicable laws and the Group Security Trading Policy.

Name (please print)

Signature

Date

Consent

APPROVED, subject to the following conditions

IAG Chairman

Signature

Date

OR

Group General Counsel & Company Secretary

Signature

Date

NOTES: You may only trade in IAG Securities once the consent of the IAG Chairman or Group General Counsel and Company Secretary has been granted.

Group Security Trading Policy

Continued.



Annexure B Exceptional Circumstances Trading Consent Request

This form must be completed if you wish to trade outside a Trading Window in Exceptional Circumstances.

This form must be emailed to directorsharetrading@iag.com.au

TO: Group General Counsel & Company Secretary
Insurance Australia Group Limited
C/- Deputy Company Secretary & Legal Counsel

Notification of Proposed Trading in IAG Securities

A. Date(s) of proposed trade	
B. Type of IAG Security	<input type="checkbox"/> Ordinary Share <input type="checkbox"/> Other:
C. Number of IAG Securities	
D. Price(s) (if applicable)	\$_____. _____ (Per security)
E. Type of trading	<input type="checkbox"/> Sale <input type="checkbox"/> Purchase <input type="checkbox"/> Other (incl. hedging of vested entitlements) If Other, description of dealing:
F. Name of person trading. If not you: <input type="checkbox"/> Controlled entity, or <input type="checkbox"/> Associate (see notes)	
G. IAG Securities held before dealing	
H. Plus (less) dealing (from C)	
I. IAG Securities held after dealing	
J. Reasons for proposed dealing	

Group Security Trading Policy



Continued.

Acknowledgement:

I confirm the following:

- I have read and understand the Group Security Trading Policy and confirm that the above dealing will not contravene the Group Security Trading Policy or any applicable laws.
- The above dealing will not occur until approval in accordance with the Group Security Trading Policy is given, and then only in accordance with the Group Security Trading Policy (including in relation to the time period for which the approval is valid).
- I understand that approval under the Group Security Trading Policy (if given) will not be an endorsement of the above dealing, and that I remain individually responsible for complying with any applicable laws and the Group Security Trading Policy.

Name (please print)

Signature

Date

Consent by the IAG Chairman

APPROVED, subject to the following conditions

IAG Chairman

Signature

Date

NOTES:

This form is must be completed by Designated Persons and PARC specified persons who wish to trade outside a Trading Window in Exceptional Circumstances.

You may only trade in IAG Securities once the consent of the IAG Chairman has been granted.

Group Security Trading Policy

Continued.



Annexure C

IAG Securities Dealing Report

This form is to be completed by Designated Persons, and PARC specified persons who have traded outside a Trading Window with the consent of the Chairman.

This form must be emailed to directorsharetrading@iag.com.au

TO: Deputy Company Secretary & Legal Counsel
Insurance Australia Group Limited
Level 26
388 George Street
SYDNEY NSW 2000

Notification of Dealing

A. Date of dealing	_____ / _____ / 20 ____ (contract date)
B. Type of security	<input type="checkbox"/> Ordinary Share <input type="checkbox"/> Other:
C. Number of shares/securities	_____
D. Market price	\$_____. _____ (Per security)
E. Type of dealing	<input type="checkbox"/> Sale <input type="checkbox"/> Purchase <input type="checkbox"/> Other If Other, description of dealing:
F. Name of person dealing. If not you: <input type="checkbox"/> Controlled entity, or <input type="checkbox"/> Associate (see notes)	_____
G. Securities held before dealing	_____
H. Plus (less) dealing (from C)	_____
I. Securities held after dealing	_____

Print Name

Signature

Department / Position

Telephone Number

Group Security Trading Policy

Continued.



Payroll Number

Date

NOTES: This form must be completed by PARC Specified Persons, or Designated Persons who deal outside a Trading Window and returned to the Deputy Company Secretary & Legal Counsel, within 5 working days after entering into a contract to trade in IAG Securities.