
IAG creates single Australian division.

IAG Managing Director and CEO Peter Harmer has announced the creation of a single Australian division with Mark Milliner, currently IAG Chief Operating Officer, leading the division as CEO Australia with immediate effect.

The Australia Division will simplify IAG's operating model by bringing together the former Australian Consumer, Australian Business, Operations and Satellite Divisions. It centralises accountability for the customer, product, distribution and operations functions for IAG's Australian brands, which include NRMA Insurance, CGU, WFI, SGIO and SGIC.

Mr Harmer said the new Australia Division is a logical next step for IAG and will ensure the company maintains its leadership position in its key Australian market.

"Creating a simpler, more efficient Australia Division takes advantage of the scale of our business and the expertise of our people so we can respond more effectively to rapidly changing customer needs and expectations," Mr Harmer said.

"The new structure will make it easier for people to do business with us, boost our productivity and allow us to deliver great experiences to our customers today, and into the future.

"It will allow us to better leverage our investment in new and emerging technologies to further improve the customer experience and create a successful and enduring company," Mr Harmer said.

As CEO Australia, Mr Milliner will continue to drive the ongoing simplification and optimisation of IAG's operating processes and systems.

IAG continues to expect its optimisation program will reduce gross operating costs by an annual run rate of at least 10%, or \$250 million pre-tax, by the end of FY19.

"Mark's depth of experience, passion for our customers and people, and his appreciation of the role of insurance in making communities and individuals feel safer, make him the ideal person to lead this business and achieve our purpose to make your world a safer place," Mr Harmer said.

Chief Executive of the Australian Consumer Division, Anthony Justice, has decided to leave IAG.

"Anthony has been a valued member of my leadership team and has made a significant contribution to our business over the past six years, particularly through his leadership of the Australian Consumer Division," said Mr Harmer. "We will miss his passion and commitment, and wish him every success for the future."

Chief Executive of the Australian Business Division, Ben Bessell, remains a member of IAG's Group Leadership Team and becomes Executive General Manager Business Distribution, reporting to Mark Milliner.

Following the creation of the Australia Division, IAG will report financial results for the following segments: Australia, New Zealand and Asia. In addition, IAG will provide further segmentation of the Australia Division into Australian Consumer and Australian Business, consistent with current practice. The company will report its results for FY17 on Wednesday, 23 August 2017.

IAG's new Group Leadership Team chart is shown on the following page.

About IAG

IAG is the parent company of a general insurance group (the Group) with controlled operations in Australia, New Zealand, Thailand, Vietnam and Indonesia. The Group's businesses underwrite over \$11 billion of premium per annum, selling insurance under many leading brands, including: NRMA Insurance, CGU, SGIO, SGIC, Swann Insurance and WFI (Australia); NZI, State, AMI and Lumley Insurance (New Zealand); Safety and NZI (Thailand); AAA Assurance (Vietnam); and Asuransi Parolamas (Indonesia). IAG also has interests in general insurance joint ventures in Malaysia and India. For further information, please visit www.iag.com.au.

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IAG Group Leadership Team

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