



## IAG confirms 2024 reinsurance protection

IAG today confirmed it has successfully placed its catastrophe reinsurance program for the 2024 calendar year. It also provided an update on natural peril events during December 2023.

### 2024 catastrophe reinsurance program

In conjunction with IAG's whole of account quota share (WAQS) arrangements which apply to 32.5% of natural perils, the 2024 catastrophe reinsurance program provides:

- A main catastrophe cover for two events up to \$10.5 billion, with an attachment at \$500 million;
- A further drop-down cover of \$150 million reducing IAG's retention on the first two events to \$236 million (67.5% of \$350 million), with an additional premium payable if the drop-down cover is utilised on a first event;
- An additional drop-down cover for a New Zealand specific second event of \$100 million excess of \$250 million; and
- Third and fourth event covers of \$250 million excess of \$250 million.

In addition, for the remainder of FY24, as announced on 7 July 2023, IAG's reinsurance cover also includes additional pre-quota share third and fourth event protection of \$150 million for events greater than \$200 million, and aggregate cover of \$250 million excess of \$600 million with qualifying events capped at \$200 million excess of \$50 million per event.

IAG Chief Financial Officer William McDonnell said: "Global reinsurance markets have stabilised during 2023, allowing IAG to purchase greater reinsurance protection than we originally expected. The cost of the overall program is broadly consistent with our expectation and our guidance of a FY24 reported insurance margin of 13.5% to 15.5%."

The reinsurance program is placed to 67.5% to reflect IAG's cumulative WAQS arrangements. After allowing for all reinsurance protections, IAG has a maximum event retention of \$236 million as at 1 January 2024.

### December natural perils events

IAG confirmed it had received approximately 17,000 claims from events that impacted Australia in December. This includes around 500 claims resulting from ex-Tropical Cyclone Jasper and around 9,000 claims from severe storms that occurred around Christmas Day.

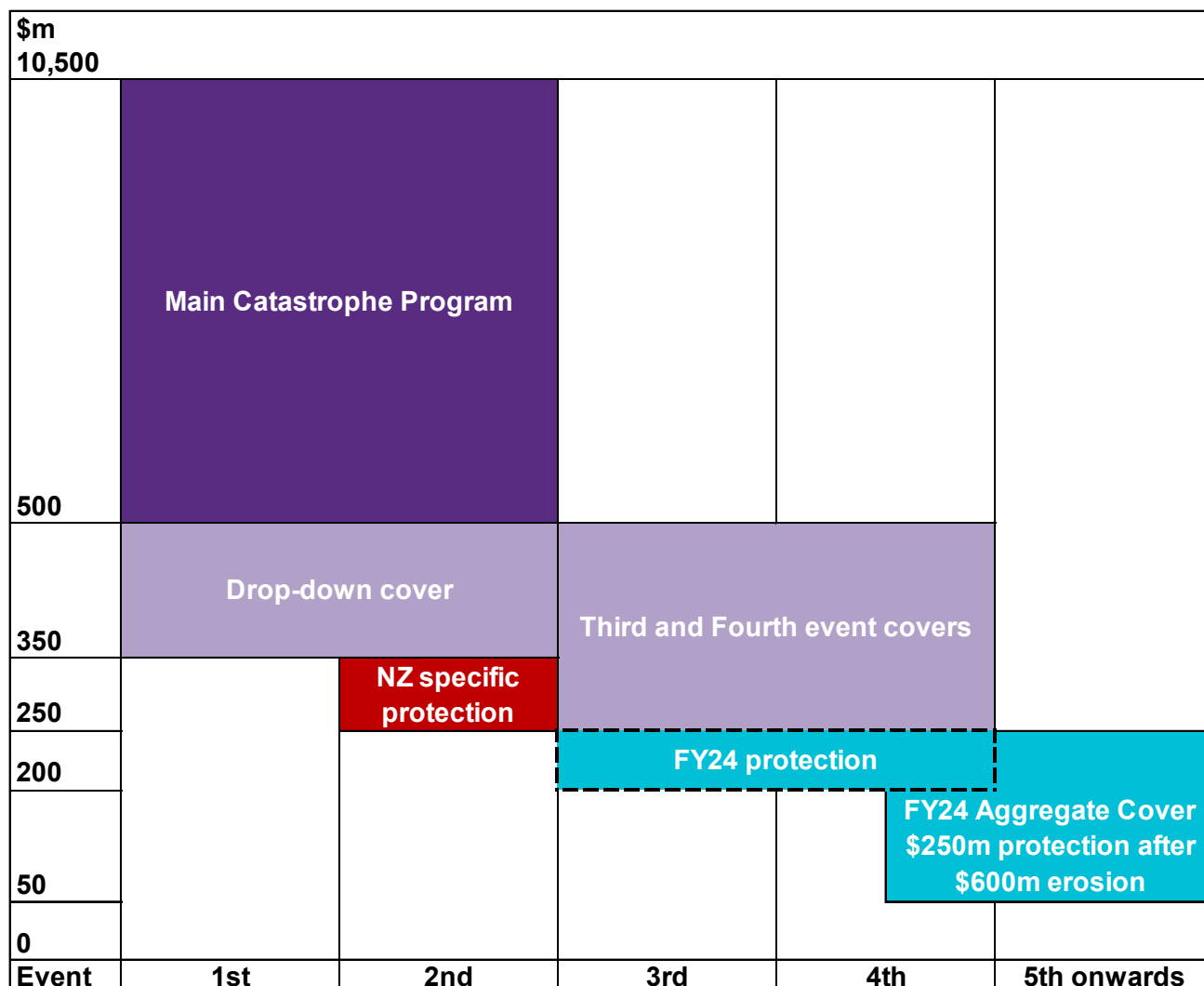
IAG Managing Director and CEO Nick Hawkins said the company, through its NRMA Insurance, CGU and WFI brands, is on the ground supporting customers in affected areas.

"The weather events that impacted communities across the holiday period were devastating and our thoughts are with those who lost loved ones during this difficult time. Our property assessors and partner builders are on the ground in affected areas supporting customers with emergency assessments and make-safe repairs. The safety of communities and our customers is our top priority."

IAG's maximum event retention in December 2023 was \$169 million and the ultimate cost of December natural peril claims is being determined. At this stage, IAG's natural perils costs are tracking below its natural perils allowance.

IAG will announce its HY24 financial results on 16 February 2024.

### Appendix – IAG reinsurance program at 1 January 2024



This release has been authorised by the IAG Chief Executive 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 \$14 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](http://www.iag.com.au).

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