

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

INSURANCE AUSTRALIA GROUP LIMITED

ABN/ARBN

60 090 739 923

Financial year ended:

30 June 2021

Our corporate governance statement¹ for the period above can be found at:²

☐ These pages of our annual report:

☒ This URL on our website:

<https://www.iag.com.au/about-us/corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 11 August 2021 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 11 August 2021

Name of authorised officer
authorising lodgement: Jane Bowd
Group Company Secretary

¹ "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	<input checked="" type="checkbox"/> and we have disclosed this in section 4.1 of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance We have also disclosed a copy of our Board Charter at: this URL on our website: https://www.iag.com.au/about-us/corporate-governance/codes-and-policies	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	<input checked="" type="checkbox"/> and we have disclosed this in sections 4.10 and 5.2 and of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/> and we have disclosed this in sections 4.10 and 5.2 and of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate governance/charters/”).

⁵ If you have followed all of the Council’s recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	<input checked="" type="checkbox"/> and we have disclosed this in section 4.9 of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.5	<p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed a copy of our Diversity Policy on our website at: https://www.iag.com.au/about-us/corporate-governance/codes-and-policies</p> <p>and we have disclosed the information referred to in paragraph (c) at section 3.2 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance;</p> <p>and our 2020-2021 Workplace Gender Equality Report is available on our website at: https://www.iag.com.au/careers/diversity-inclusion-and-belonging;</p> <p>and our measurable objective for achieving gender diversity in the composition of the board is not less than 30% of its directors of each gender within a specified period.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) at section 4.11 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance;</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>As above.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) at section 5.3 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance;</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>As above.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the Nomination Committee on our website at: https://www.iag.com.au/about-us/corporate-governance/iag-board-committees;</p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>section 4.2 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance; and</p> <p>on pages 1 to 5 of the Directors' Report of the 2021 IAG Annual Report on our website at: https://www.iag.com.au/results-and-reports.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	<p><input checked="" type="checkbox"/> and we have disclosed our board skills matrix at section 4.4 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	<input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors at: section 4.12 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance ; and pages 1 to 4 of the Directors' Report of the 2021 IAG Annual Report available on our website at: https://www.iag.com.au/results-and-reports ; and the length of service of each director at: section 4.2 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance ; and pages 1 to 4 of the Directors' Report of the 2021 IAG Annual Report available on our website at: https://www.iag.com.au/results-and-reports .	<input type="checkbox"/> set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/> at section 4.12 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance .	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<input checked="" type="checkbox"/> at section 4.6 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance .	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/> at section 4.10 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance .	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

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PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values in our Code of Ethics & Conduct available on our website at https://www.iag.com.au/about-us/corporate-governance/codes-and-policies ; and in our 2021 Annual Review and Safer Communities Report which is available on our website: https://www.iag.com.au/results-and-reports .	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our Code of Ethics & Conduct at section 2.3 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance ; and on our website at: https://www.iag.com.au/about-us/corporate-governance/codes-and-policies .	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our Group Whistleblower Policy at section 2.2 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance ; and on our website at: https://www.iag.com.au/about-us/corporate-governance/codes-and-policies .	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<input checked="" type="checkbox"/> and we have disclosed our Group Anti-Bribery and Corruption policy section 2.5 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance ; and on our website: https://www.iag.com.au/about-us/corporate-governance/codes-and-policies .	<input type="checkbox"/> set out in our Corporate Governance Statement

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Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p><input checked="" type="checkbox"/> and we have disclosed a copy of the Audit Committee Charter on our website at: https://www.iag.com.au/about-us/corporate-governance/iag-board-committees;</p> <p>and it is described in</p> <p>section 4.5 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance;</p> <p>and</p> <p>the information referred to in paragraphs (4) and (5):</p> <p>on pages 1 to 5 in the Directors Report of the 2021 IAG Annual Report which is available on our website at: https://www.iag.com.au/results-and-reports.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p><input checked="" type="checkbox"/> and we have disclosed this at section 6.4 of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.3	<p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p><input checked="" type="checkbox"/> and we have disclosed this at section 6.5 of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance,</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed this in: section 7.1 of our Corporate Governance Statement which is available on our website at: https://www.iag.com.au/about-us/corporate-governance ; and our Group Continuous Disclosure Policy which is available on our website at: https://www.iag.com.au/about-us/corporate-governance/codes-and-policies .	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/> and we have disclosed this at section 7.1 of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance .	<input type="checkbox"/> set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	<input checked="" type="checkbox"/> and we have disclosed this at section 7.1 of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance .	<input type="checkbox"/> set out in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> and we have disclosed information about IAG and our governance at section 8 of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance ; and in the Corporate Governance section of our website at: https://www.iag.com.au/about-us/corporate-governance	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

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6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/> and we have disclosed information about IAG and our investor relations program at section 7.3 of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance ; and in the Shareholder Centre section of our website at: https://www.iag.com.au/shareholder-centre .	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at section 7.4 of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance .	<input type="checkbox"/> set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/> and we have disclosed this at section 7.4 of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance .	<input type="checkbox"/> set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<input checked="" type="checkbox"/> and we have disclosed this at section 7.2 of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance .	<input type="checkbox"/> set out in our Corporate Governance Statement

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PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p><input checked="" type="checkbox"/> and we have disclosed a copy of the Risk Committee Charter on our website at: https://www.iag.com.au/about-us/corporate-governance/iag-board-committees;</p> <p>and it is described in</p> <p>section 4.5 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance;</p> <p>and</p> <p>the information referred to in paragraphs (4) and (5) at:</p> <p>section 4.5 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance;</p> <p>and</p> <p>on pages 1 to 5 in the Directors Report of the 2021 IAG Annual Report which is available on our website at: https://www.iag.com.au/results-and-reports.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p><input checked="" type="checkbox"/> and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at section 6.1 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	<input checked="" type="checkbox"/> and we have disclosed how our internal audit function is structured and what role it performs at section 6.2 of our Corporate Governance Statement available on our website at: https://www.iag.com.au/about-us/corporate-governance	<input type="checkbox"/> set out in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks at section 6.3 of our Corporate Governance Statement which is available on our website at: https://www.iag.com.au/about-us/corporate-governance and in our 2021 Annual Review and Safer Communities Report which is available on our website at: https://www.iag.com.au/results-and-reports . and, if we do, how we manage or intend to manage those risks at: As above.	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input checked="" type="checkbox"/> and we have disclosed a copy of the Remuneration Committee Charter on our website at: https://www.iag.com.au/about-us/corporate-governance/iag-board-committees;</p> <p>and it is described in</p> <p>section 4.5 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance;</p> <p>and</p> <p>the information referred to in paragraphs (4) and (5) at:</p> <p>section 4.5 of our Corporate Governance Statement available on our website at https://www.iag.com.au/about-us/corporate-governance;</p> <p>and</p> <p>on pages 1 to 5 in the Directors Report of the 2021 IAG Annual Report which is available on our website at: https://www.iag.com.au/results-and-reports.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p><input checked="" type="checkbox"/> and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives in section 5.1 of our Corporate Governance Statement which is available on our website at: https://www.iag.com.au/about-us/corporate-governance;</p> <p>and</p> <p>our Remuneration Report which forms part of the Directors' Report of the 2021 IAG Annual Report (on pages 35 to 58), which is available on our website at: https://www.iag.com.au/results-and-reports.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	<input checked="" type="checkbox"/> and we have disclosed our Group Security Trading Policy on this issue or a summary of it on our website at: https://www.iag.com.au/about-us/corporate-governance/codes-and-policies ; and section 2.5 of the Corporate Governance Statement which is available on our website at: which is available on our website at: https://www.iag.com.au/about-us/corporate-governance .	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	<input type="checkbox"/> and we have disclosed information about the processes in place at: [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<input type="checkbox"/> and we have disclosed the information referred to in paragraphs (a) and (b) at: <i>[insert location]</i>	<input type="checkbox"/> set out in our Corporate Governance Statement
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<input type="checkbox"/> and we have disclosed the terms governing our remuneration as manager of the entity at: <i>[insert location]</i>	<input type="checkbox"/> set out in our Corporate Governance Statement



Ensuring a stronger, more resilient IAG

2021 Corporate Governance Statement
Insurance Australia Group Limited

This release has been authorised by the Board of Insurance Australia Group Limited on 11 August 2021

ABN 60 090 739 923

Governance at IAG

At IAG, we believe good governance provides the framework that allows us to operate our business to deliver on our purpose and our strategy. At IAG, this framework includes:

- our focus on our customers through our policies, procedures, models, programs and forums;
- the way we apply our Values and Behaviours (**The IAG Way**) and the Code of Ethics & Conduct to guide our people to behave ethically and legally;
- the many policies and practices we have in place, and the activities we encourage (such as community activity), to create a culture which enables our people to strive to deliver unparalleled personalised service when customers need it most;
- our remuneration policies and practices;
- our risk management framework, policies and practices;
- the way we report to all our stakeholders, including our shareholders, the Australian Securities Exchange (**ASX**) and our people; and
- our continuous improvement approach, including our commitment to examine and strengthen all aspects of our governance.



We are a purpose-led company

IAG's purpose means that whether you are a customer, partner, employee, shareholder or part of the communities IAG serves, IAG exists to 'make your world a safer place'.

From our origins in the 1920s as the insurance business of the National Roads and Motorists' Association (**NRMA**), to our CGU Insurance and NZ businesses, which have provided insurance services for over 160 years, IAG has a long and proud history of building trusted relationships with our customers and communities.

We are the largest general insurer in Australia and New Zealand, with more than 8.5 million customers. We understand the importance of our role in our customers' lives and to the broader community and are guided by our purpose.

Our purpose drives us to strive to continually improve our understanding of our customers, so we can be there when they need us most, and make communities safer and more resilient for the future.

Contributing to society and helping to address important issues for our communities are core to our role as an insurer and go to the heart of our purpose of making your world a safer place.

Our purpose drives us to work collaboratively with the community to understand, reduce and manage or avoid risk, and to improve preparedness and build resilience. This achieves better outcomes for the community and ultimately results in fewer claims and lower costs for our business.

By broadening our approach from helping individual customers who have suffered loss, to mitigating the risk of loss for people in the wider community, we believe that our purpose enables us to become a more sustainable business over the long term and deliver stronger and more consistent benefits for our shareholders and those who depend on us.

Our purpose is why we exist and the value we bring to the world. It keeps us focused on delivering our strategy for our people, customers and communities. It unifies our people, helps us to make the right decisions and motivates us to strive for better.

Our strategic direction

In today's uncertain times, our purpose is more important than ever. It guides our ambition to serve every Australian and New Zealander, and informs our strategy to create a stronger, more resilient IAG. Achieving this will require us to be purpose-led, customer focused and a commercially disciplined organisation.

Our long-term financial objective remains – the delivery of top quartile Total Shareholder Return, with a sustainable growth profile. Four strategic pillars provide focus and underpin IAG's three to five year strategy:

Grow with our customers

- We will grow as Australians and New Zealanders grow by delivering unparalleled personalised service when customers need it most;
- We will focus the strength of our brands to meet the evolving needs of consumers and enable the next wave of growth in small businesses across Australia and New Zealand; and
- We will increase our customer reach to make the world safer for more Australians and New Zealanders.

Build better businesses

- We will help Australian and New Zealand businesses thrive by continuing to focus on underwriting expertise, active portfolio management and pricing excellence; supporting strong economies in our home markets; and
- We will evolve by investing in our core competencies, delivering consistent high quality returns to shareholders and enhancing our competitive advantage.

Create value through digital

- We will be digital to the core by creating connected customer experiences that seamlessly assist and reward customers as they unlock the value of IAG's network; and
- We will transform customer experience while re-architecting core platforms and using intelligent automation to capture value.

Manage our risks

- We will manage the risks in our own business so that we can continue to manage the risks in our customers' lives, by building a strong, active risk culture and meeting our obligations to the communities we serve;
- We will invest in process, capability, infrastructure and operational excellence to create a stable, scalable and efficient business; and
- We will continue to be innovative and strengthen our capital platform, ensuring our customers are appropriately supported by our financial strength.

Our strategy balances strengthening the fundamentals of insurance while evolving to be a digital leader. It aims to deliver a stronger, more resilient organisation with increased customer reach.

Our strategy: create a stronger, more resilient IAG

 Grow with our customers	<p>We will grow as Australians and New Zealanders grow, delivering unparalleled personalised service when our customers need us the most</p>	<ul style="list-style-type: none"> • Grow the number of direct personal lines customers • Increase the breadth of customer relationships • Drive engagement through more frequent customer interactions
 Build better businesses	<p>We will help Australian and New Zealand businesses thrive by continuing to focus on underwriting expertise, active portfolio management and pricing excellence</p>	<ul style="list-style-type: none"> • Invest in underwriting and pricing capability uplift • Build commercial discipline, reduce volatility and improve margins • Strengthen relationships with our key partners and intermediaries
 Create value through digital	<p>We will be digital to the core by creating connected experiences that seamlessly assist and reward our customers as they unlock the value of our network</p>	<ul style="list-style-type: none"> • Accelerate digital, making it easier for our customers, partners and people to interact with us • Modernise our policy administration systems • Use automation to unlock the next wave of efficiency in our business
 Manage our risks	<p>We will actively manage capital and risk in our business so we can continue to manage the risks in our customers' lives</p>	<ul style="list-style-type: none"> • Clear accountabilities driving focused outcomes • Drive a proactive risk culture to increase organisational resilience • Active management of the balance sheet and capital allocation

1. We are committed to understanding our customers' needs so that we can deliver world-leading customer experiences

Customer policies and programs

We have a range of policies and procedures that guide us in our pursuit of delivering world-leading customer experiences. For example, under our **Customer Equity Framework**, we established a Family and Domestic Violence Policy in Australia aimed at ensuring our staff are equipped to deal with customers experiencing family and domestic violence.

We have a number of programs that help improve our understanding of the needs of our customers today and how they might change in the future to inform this:

- We carry out detailed segmentation that explores customer needs and expectations.
- We have active customer research panels in Australia and New Zealand to provide feedback and guidance on new products, services and customer experiences.
- We apply our Values and Behaviours, known as **The IAG Way**, to assess the design of our products and customer experiences. We put both our customer and people experience at the heart of who we are and what we do as an organisation.
- Our **Customer Connection Program** connects our people to our customers' worlds, through experiential events, workshops and storytelling. This program has been expanded to include digitally enabled virtual sessions.
- We have developed a **Customer Journey** plan operating across Australia and New Zealand, with teams dedicated to understanding customer needs and continually finding ways to apply innovation to the customer experience.
- Our company-wide **Heartbeat** program provides real-time customer advocacy and feedback on the quality of experience our customers have with us.
- We have a team of practitioners who apply **Behavioural Science** to better understand drivers of consumer decision making.
- Our **Listen Learn Act Framework** ensures our people hear our customers' voices. By reviewing and discussing what customers tell us and prioritising opportunities across the customer journey, we are continually improving our customer experience.
- Our **Customer Prioritisation Model** is embedded into our enterprise project management methodology for initiating and monitoring projects to address key customer irritants.

We use the knowledge obtained through these processes to create products and refine our processes to better meet customers' needs and expectations.

We also have programs to provide our Board with information about our customer focus and capture broader consumer insights, including through our Board customer connections sessions.

Board reporting

Company-wide measures of **customer health** are discussed regularly at Board meetings. Every quarter, the Board receives a report with a deeper, more extensive review of the health of the customer base. These deep dives include analyses of areas such as customer complaints, call centre operations, value drivers and customer feedback.

Our **Consumer Advisory Board** facilitates discussion between our senior leaders and consumer advocates about consumer issues in general insurance. It is led and chaired by our Chief Executive Officer (**CEO**) and regularly attended by Board members. Discussions are open, constructive and collaborative, with a view to addressing issues, responding to emerging themes and devising solutions.

The Consumer Advisory Board includes representatives from CHOICE, Consumer Action Law Centre, Financial Rights Legal Centre, Financial Counselling Australia, the Brotherhood of St Laurence, Good Shepherd, Westjustice, the University of Technology Sydney and the NSW Council of Social Service.

Key issues now under consideration at the forum are underinsurance, the impacts of major events such as climate change and COVID-19 on consumers, privacy and data. We also look to international and sector-wide developments to inform discussions.

2. We value the role our culture plays in our approach to governance

We are committed to creating a culture that supports ethical and responsible decision making for our people and customers. Through The IAG Way and our Code of Ethics & Conduct, we hold our people accountable for ensuring decisions and actions meet our compliance obligations as well as our ethical values.

2.1 Our Culture – The IAG Way

The IAG Way introduced in 2020 illustrates how the critical parts of our culture (Purpose, Values and Behaviours) come together to create an environment that encourages ethical decision making, resilience, connectedness, and future focus. This has replaced the previous IAG Spirit.

The IAG Way provides greater specificity on the behavioural standards we expect of our people to live our purpose and to achieve our strategic goals. In crafting our values and behaviours, IAG considered the cultural traits and behaviours that underpin positive outcomes across risk culture, customer centricity and performance. IAG's Values and Behaviours are set out on [The IAG Way](#) page on our website.

A program of work is currently underway to review practices throughout the organisation to ensure that The IAG Way is continually reinforced. This has included changes to the way we measure culture with a greater focus on root cause analysis and action taking.

The IAG Way is set out in more detail in the 2021 Annual Review and Safer Communities Report.

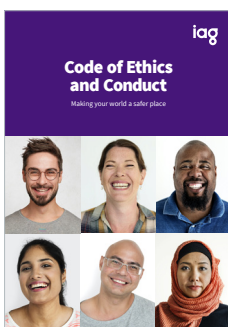
2.2 Encouraging a safe to speak up environment

To support our commitment to instil a culture of acting lawfully, ethically and responsibly, we encourage – and expect – our people to speak up when things are not right. The IAG Way has set clearer expectations to promote safety to speak up through our value of being 'Honest & Upfront'. By making this an explicit value, we continue to foster an environment where people can openly share their views and experiences with us, improving decision making, reducing potential incidents and breaches of the Code of Ethics & Conduct and other policies, and driving continuous improvement for all our stakeholders.

Employees and others who identify that something isn't right are encouraged to report incidents through the relevant internal channel or speak to their line manager. We know there may be times when people would prefer to speak up anonymously, so we also provide an independent whistleblower reporting line which is maintained 24 hours a day, seven days a week. Material cases under the Group Whistleblower Policy are reported to senior management. The Risk Committee is responsible for receiving and reviewing reports from management on material cases under the Group Whistleblower Policy.

Our [Group Whistleblower Policy](#) is available in the About Us section of our website under Corporate Governance.





2.3 Our Code of Ethics & Conduct

A new Code of Ethics & Conduct (the **Code**) was introduced in November 2020. The Code starts with our purpose and sets out the behaviours expected of everyone at IAG. The Code applies to all our Directors, officers, employees and contractors for all entities in which we have majority ownership.

The Code provides our people with principles and a framework to make informed business decisions and to act on them with integrity. It also provides specific guidance on how to make the right decision and do the right thing. When our stakeholders interact with us, we want them to feel assured that we will act in a responsible, ethical, transparent and honest way.

Any material breaches of the Code are reported to senior management. The Risk Committee is responsible for receiving and reviewing reports from management on all material breaches of the Code.

2.4 Our Social and Environmental Framework

This year we launched a refreshed Social and Environmental Framework (the **Framework**), which replaced the Social and Environmental Policy. The Board approved Framework outlines our commitments to managing social and environmental risks and provides guidance to employees on behaviours to ensure IAG upholds its social and environmental commitments. The Framework supports IAG in the management of social and environmental risks and opportunities. Relevant commitments in the Framework are detailed in the appropriate IAG policies, including the Code of Ethics & Conduct, Supplier Code of Conduct and Group Procurement Policy.

Our community activities

Our safer communities activities prioritise work on **Climate and Disaster Resilience**. By leveraging our capabilities, expertise and commitment to purpose, we believe Climate and Disaster Resilience is an area where we can make the most meaningful difference for communities and customers, while supporting our business and strategy. Through our community programs and partnerships, such as with the Australian Red Cross, NSW SES and NSW RFS, we focus on enabling communities and customers in Australia and New Zealand to better prepare for and respond to natural hazards and climate change.

The ability to drive change and have a positive impact in this area is facilitated by us continuing to get the essentials right, maintaining our social licence to operate and connecting IAG's people to purpose:

- Responsible and ethical business – building trust by being a responsible and ethical business that meets customer and community expectations through environmental, social and governance (ESG) risk management and transparent sustainability disclosure; and
- Community connection – playing a role in safer and more resilient communities by connecting the IAG community and people to our purpose through our partners, so their personal development is supported, and employee advocacy is increased.

Our commitments and progress in these areas are detailed in the 2021 Annual Review and Safer Communities Report.

2.5 We prioritise compliance with all relevant laws and regulations

We have systems, frameworks and processes in place to manage compliance with relevant laws and regulations, including an independent risk and compliance division, policies and processes, reporting and incident management procedures, and training programs.

Our Code outlines the standards and behaviours expected of our people and includes a section relating to bribery and corruption and conflicts of interest. The Group Anti-Bribery and Corruption Policy and the Group Conflicts of Interest Policy support our Code. Together, they prohibit bribery and corruption and set out IAG's requirements in relation to the management of bribery and corruption risks, conflicts of interest and compliance with relevant laws and regulations. The Risk Committee is responsible for receiving and reviewing reports from management on material breaches under the Code and any related policies (including the Group Anti-Bribery and Corruption Policy and the Group Conflicts of Interest Policy).

To help ensure there is a fair market for our securities, we have a Group Security Trading Policy. This Policy reinforces the fact that all Directors, employees and contractors are responsible for exercising care when trading in IAG's securities. We use the Group Security Trading Policy and appropriate controls to require designated people who are covered by the Policy to only trade IAG securities in defined circumstances.

The Code and IAG's key policies are available in the About Us section of our website under Corporate Governance.

IAG's Ethics Committee

IAG's Ethics Committee, chaired by renowned ethicist Dr Simon Longstaff (Executive Director, The Ethics Centre), was established as an advisory body in 2017. Since then, the Ethics Committee has provided an invaluable forum for navigating key ethical issues, including those related to the development of IAG's products and key partner frameworks.

Ethics Committee members Dr Longstaff and Ms Samantha Mostyn provide a valuable external perspective and offer support and advice to management on key ethical challenges. Members of the Board regularly attend Ethics Committee meetings. We expect the Ethics Committee will continue to be a valuable source of guidance as we work through societal and regulator concerns about various issues including the role and accessibility of insurance.

3. We value the role that Diversity, Inclusion and Belonging plays in our approach to governance

3.1 Diversity, Inclusion and Belonging

Our focus on Diversity, Inclusion and Belonging (**DIB**) is fundamental to our culture and a critical enabler of our business performance. When we leverage diversity, create a culture of inclusion and a feeling of belonging, different perspectives emerge. This leads to robust decision making, increased innovation and better customer experiences.

IAG's DIB strategy focuses on three areas which receive targeted attention: Flexibility, Equity and Accessibility. More detail on the progress made within these three areas of our DIB strategy is described in the 2021 Annual Review and Safer Communities Report. This strategy is underpinned by [IAG's Diversity, Inclusion and Belonging Framework](#), which is available in the About Us section of our website under Corporate Governance.

3.2 Diversity, Inclusion and Belonging targets

IAG has two publicly stated targets to improve the number of women in senior management positions and improve the employment rate of Indigenous Australians.

In 2020, we met our target for women to hold 40% of senior management positions, achieving 41% as at 30 June 2020. We define 'senior management positions' as our Group Executive, Executive General Managers, and the reporting level below. As a sign of our continued commitment, IAG is also on track to meet our 2023 target of 50% of women in senior management positions with 43% of women in senior management roles as at 30 June 2021.

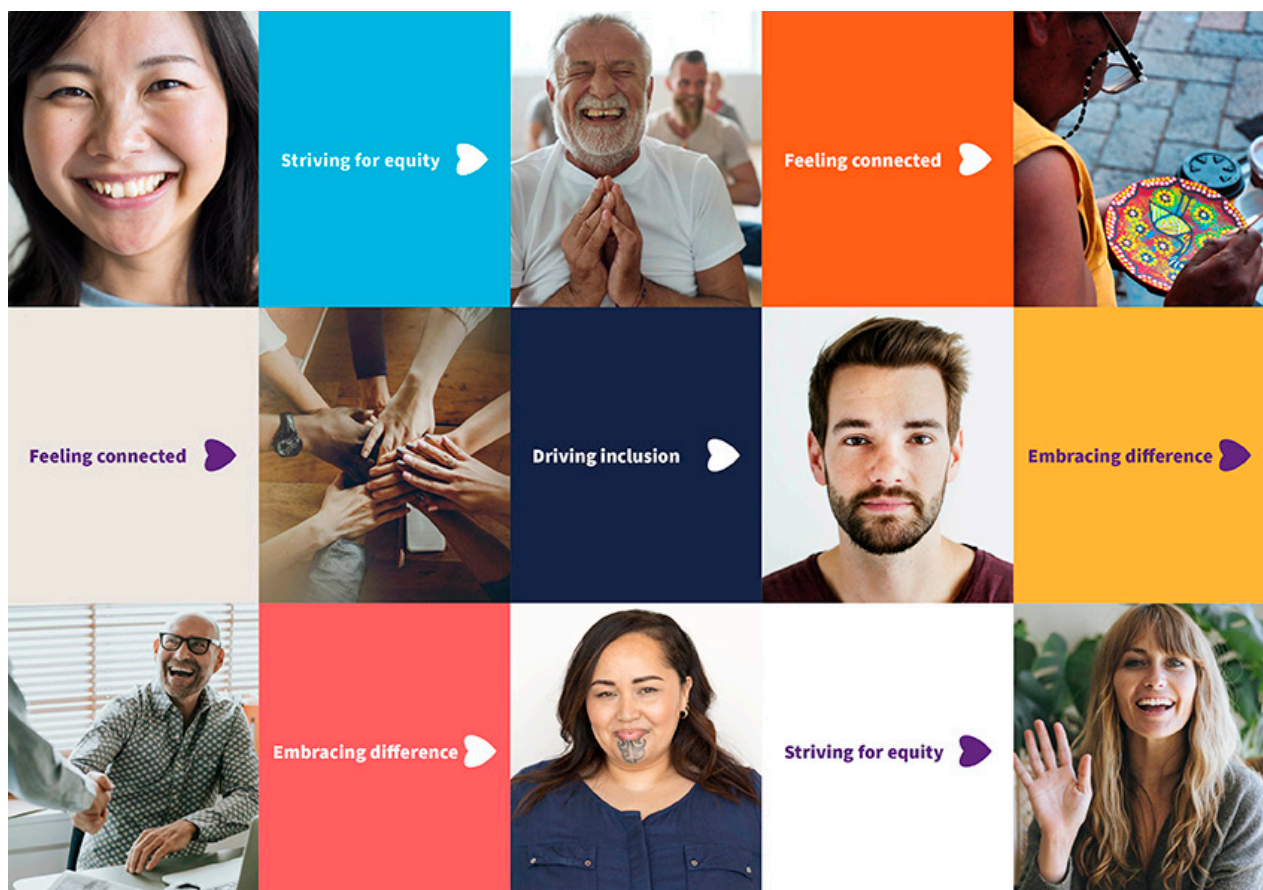
This target supports gender diversity in IAG's workforce generally.

Women currently represent 59% of our total workforce and 40% of our Board (in line with the Board's 30% gender target). To ensure our pipeline of female talent at the layers beneath senior leadership are growing, strategies and tracking mechanisms are in place to understand workforce movements and distributions. These are tracked and reported on via two dashboards – a 'Workforce Movements Dashboard' and a 'People Health Dashboard'. These reporting mechanisms help to increase awareness and foster behaviours that support our outcome of growing our women in senior leadership but also our females more broadly.

Further information on IAG's gender diversity, including IAG's 'Gender Equality Indicators' (as defined under the *Workplace Gender Equality Act 2012* (Cth)), is available in IAG's 2020 – 2021 Workplace Gender Equality Report, which is available on the Diversity, Inclusion and Belonging area of our [Careers](#) page.

As part of our [Elevate Reconciliation Action Plan](#), we have made a commitment to increase Aboriginal and Torres Strait Islander employment to 2% of our Australian workforce by December 2021, and 3% by 2023. Our current Aboriginal and Torres Strait Islander participation is 1.5% as at 30 June 2021. Our Elevate Reconciliation Action Plan commitments provide a strong pathway to help us achieve our target and can be viewed on the [Reconciliation](#) page of our website.

Our [Diversity, Inclusion and Belonging Framework](#) is also available in the About Us section of our website under Corporate Governance.



4. Our leaders are the custodians of our purpose and our customers' experience

We believe that good governance starts with the right 'tone from the top'. Having a proper governance framework in place protects IAG's interests for the benefit of all its stakeholders.

Our Board and Group Leadership Team define and promote our purpose-led culture. This provides a guide to decision making across all levels of the organisation, encouraging a focus on our customers in everything we do.

4.1 Our Board oversees our performance

Our Board's primary role is to ensure there is a proper governance framework in place to promote and protect our interests for the benefit of our stakeholders. Our Board is accountable to shareholders for the performance, operations and affairs of the company.

To achieve this, the Board collectively oversees and appraises the company's strategy, policies and performance, through the lens of our purpose. The role of the Board and the matters expressly reserved for the Board and delegated to management are set out in the [Board Charter](#), which is available in the About Us section of our website under Corporate Governance.

4.2 Our Directors' skills guide our success

The qualifications and experience of each Director are set out on pages 1 – 4 of the 2021 Annual Report.

This is our Board of Directors for FY21.



Elizabeth Bryan AM
Appointed December 2014



Nick Hawkins
Appointed November 2020



Simon Allen
Appointed November 2019



Duncan Boyle
Appointed December 2016



Jonathan (Jon) Nicholson
Appointed September 2015



Dr Helen Nugent AO
Appointed December 2016



Sheila McGregor
Appointed March 2018



Tom Pockett
Appointed January 2015



George Savvides AM
Appointed June 2019



Michelle Tredenick
Appointed March 2018

4.3 Board Renewal

As announced recently, the Board is undergoing a continued renewal process, with our Board Chairman Elizabeth Bryan and Duncan Boyle both announcing they will retire at the conclusion of the 2021 AGM. The Board has approved the appointment of three additional independent non-executive directors to the Board, which will occur in a staggered manner over the coming months. David Armstrong and George Sartorel will be appointed to the Board effective September 2021, and will stand for election by shareholders at the 2021 AGM. In addition, Scott Pickering will also join the Board after the 2021 AGM, and will stand for election next year.

In light of the retirement of Elizabeth Bryan, the Board has also approved the appointment of Tom Pockett as Board Chairman, and David Armstrong as Audit Committee Chairman, effective at the conclusion of the 2021 AGM. The Board is pleased with the strengthening of the insurance expertise, along with the financial, audit and risk expertise, that will come from these appointments.

4.4 Board skills matrix

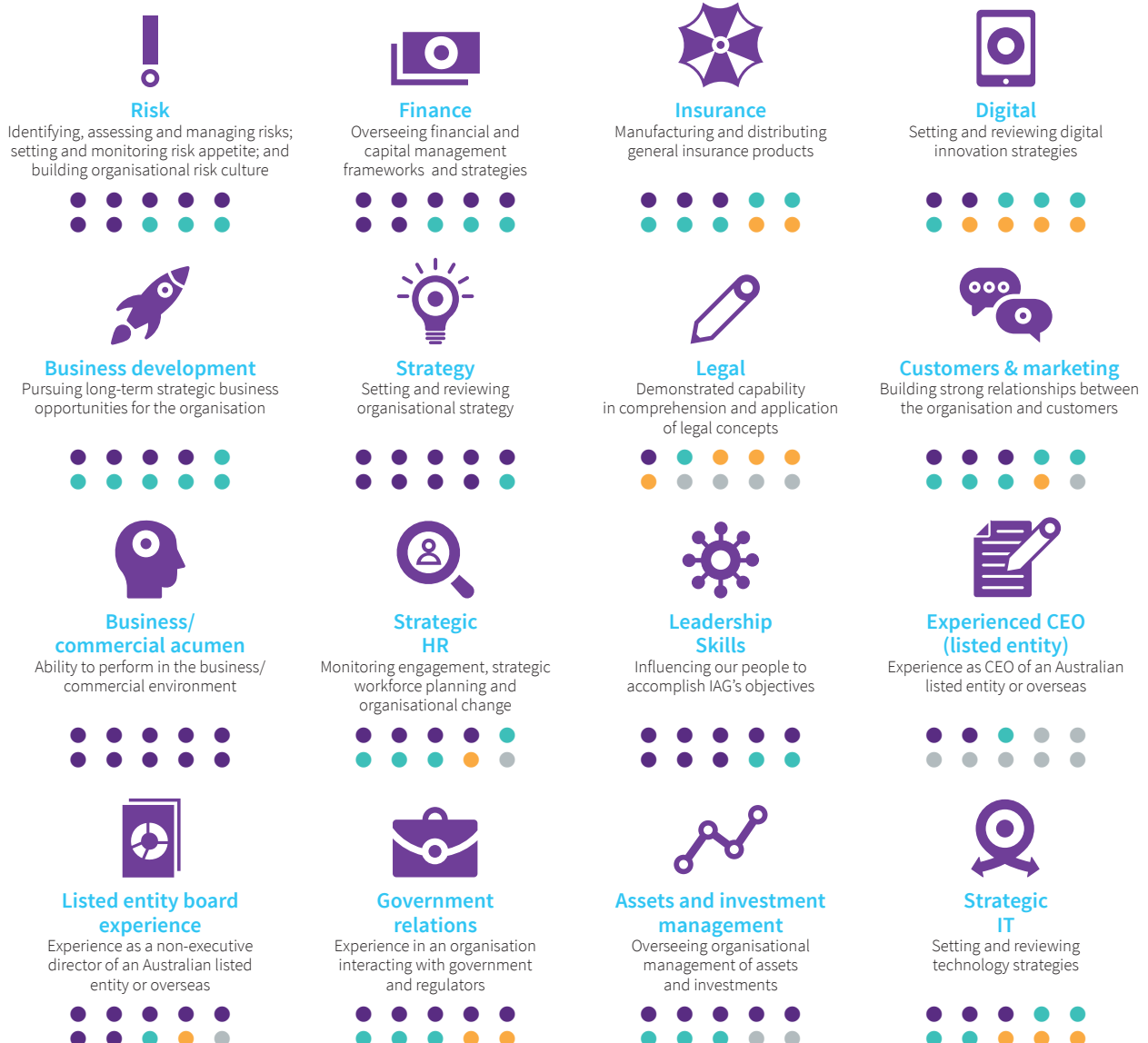
The Board comprises nine independent Non-executive Directors and an Executive Director, Nick Hawkins, our CEO. We believe its composition appropriately reflects our size, market position, complexity and strategic focus.

The Board has a skills matrix covering the range of competencies and experience of each Director. This skills matrix is reviewed by the Nominations Committee at least annually, and when the need for a new or replacement Director is identified, the required experience and competencies of the incoming Director are reviewed in the context of the existing skill matrix and any gaps which may exist at that point in time.

The Board regularly reviews its competencies and composition to ensure it:

- pro-actively manages Board renewal;
- continues to have an appropriate mix of skills, knowledge, experience, independence and diversity that complements the company's business and strategy; and
- identifies any gaps or opportunities to enhance its skills, in each case having regard to our operations and strategy.

Board skills matrix



Each dot represents one Director; skill levels are defined as High ●, Medium ●, or Low ●.

4.5 Board Committees help the Board fulfil its responsibilities

The Board has four Committees to help it fulfil its statutory and fiduciary responsibilities.

Audit Committee	Tom Pockett (Chair), Duncan Boyle, Sheila McGregor and Helen Nugent AO
	Assists the Board by overseeing the integrity of IAG's external statutory financial reporting for the Group, tax and financial risks, the provision of high quality financial and audit related non-financial information that can be relied on by the Board to make informed judgements and the independence of the External Auditor, Internal Auditor and Chief Actuary.
Risk Committee	Jon Nicholson (Chair), Simon Allen, Duncan Boyle, Tom Pockett, George Savvides AM and Michelle Tredenick
	Assists the Board to discharge its risk management and compliance responsibilities including oversight of the material risks of the Group, oversight of the risk management and control systems for adequacy and effectiveness and oversight of the implementation and operation of the Group's risk management and governance frameworks.
People and Remuneration Committee (PARC)	George Savvides (Chair), Simon Allen, Jon Nicholson, Tom Pockett and Michelle Tredenick
	Assists the Board to discharge its responsibilities on matters relating to the Group Remuneration Policy, Group remuneration disclosures, the remuneration levels for the Board, remuneration arrangements for the CEO and Group Leadership Team, the Group's equity plans and Group People and Culture strategies and framework including the workplace health and safety framework and diversity and inclusion strategies.
Nomination Committee	Elizabeth Bryan AM (Chair), Jon Nicholson, Helen Nugent AO, Tom Pockett and George Savvides AM
	Assists the Board to discharge its responsibilities by ensuring the Board and the relevant subsidiary Boards of IAG comprise individuals with an appropriate mix of skills, knowledge, experience and diversity, and who are best able to discharge the responsibilities of a Director having regard to the present and likely future needs of the Group.

The number of times the Board and each Board Committee met and attendance at those meetings is set out on page 5 of the 2021 Annual Report.

The [Board and Board Committee Charters](#) are available in the About Us section of our website under Corporate Governance.

4.6 The role of the Chairman

Our Chairman, Elizabeth Bryan AM, is an independent Non-executive Director who is responsible for leading the Board and ensuring that it functions as a cohesive and effective group. She provides the fundamental link between Directors, and between the Board and Management.

Elizabeth chairs the Board, the Nomination Committee and Annual General Meetings and attends all other Board Committee meetings in an ex-officio capacity. She also chairs the meetings of our joint venture with RACV, Insurance Manufacturers of Australia Pty Limited, and regularly attends Board and Committee meetings of our New Zealand subsidiaries IAG (NZ) Holdings Limited and IAG New Zealand Limited.

4.7 The role of the CEO

Nick Hawkins is IAG's Managing Director and CEO. He manages our businesses subject to the Board's reserved powers, and in line with the policies, budget, corporate plan, strategies and risk appetite set by the Board. The Board has delegated to the CEO responsibility for the overall management and performance of IAG, including all day-to-day operations and administration of our company.

As well as being responsible for our day-to-day operations, the CEO, together with the Board, has a primary role to ensure appropriate governance frameworks are in place across the business. He also keeps the Board informed with timely, accurate and clear information to support informed and effective decision making and ensures that all material matters affecting IAG are brought to the Board's attention.

4.8 Our Group Leadership Team

The Board delegates responsibility for the company's day-to-day operations and administration to the CEO, who leads the Group Leadership Team. This team ensures our effective and efficient operation and is responsible for implementing all governance frameworks, including those in relation to risk management and internal controls.

The Group Leadership Team also provides the Board with accurate and timely information, including information on the company's

operations, financial performance, compliance with material legal and regulatory requirements and any conduct that is materially inconsistent with The IAG Way and the Code of Ethics & Conduct, in order to support the Board's decision-making processes.

The qualifications and experience of the [Group Leadership Team](#) are set out in the About Us section of our website under Corporate Governance.



Nick Hawkins
Managing Director and CEO



Julie Batch
Group Executive, Direct Insurance Australia



Peter Horton
Group General Counsel & Company Secretary



Michelle McPherson
Chief Financial Officer



Neil Morgan
Chief Operating Officer



Craig Olsen
Group Executive, Strategic Projects



Christine Stasi
Group Executive, People Performance & Reputation



David Watts
Chief Risk Officer



Amanda Whiting
CEO IAG New Zealand Group & Acting Executive Intermediated Insurance Australia

4.9 The role of the Company Secretaries

Our Company Secretaries act as secretaries to the Board and all the Board Committees. They are accountable directly to the Board, through the Chairman, on all matters related to the proper functioning of the Board and Board Committees.

The Company Secretaries work with the Chairman, the Board and the Board Committees and are responsible for the smooth running of the Board and Board Committees and advising them on all company secretarial and corporate governance matters including communications with the ASX and relevant regulators, all statutory and regulatory filings and ensuring proper information flows within the Board and its Committees and between the Board and senior management.

The Company Secretaries are also responsible for the induction of new Directors and the ongoing professional development of the Board including the development of the annual Board education and engagement program.

All Directors have unfettered access to the Company Secretaries. The appointment and removal of Company Secretaries is determined by the Board.

The qualifications and experience of our Company Secretaries are set out on pages 4 and 5 of the 2021 Annual Report.



Peter Horton
Group General Counsel &
Company Secretary

Jane Bowd
Group Company Secretary

4.10 Succession planning and appointing Directors

Our Board is committed to bringing together the best possible combination of individuals so it can serve our shareholders, customers and the community, now and into the future.

It regularly assesses the skills it requires to competently discharge its duties, considering our performance, financial position and strategic direction. The Board uses its Skills Matrix (set out in Section 4.4 above) to identify the specific knowledge, skills and experience that Directors must possess to secure a position on the Board.

The Board also undertakes ongoing Board succession planning to help it identify potential candidates to be Directors. A formal process for the selection and appointment of Directors is undertaken by the Board's Nomination Committee and the Board.

The Board's Nomination Committee typically assesses candidates when a vacancy arises or if it considers that the Board would benefit from the services of a new Director. Any assessment considers the mix of skills, knowledge, experience, diversity and the expertise of existing or departing Directors, and how a candidate's competencies will complement and balance the mix of skills required for the Board to operate effectively. External consultants may also be engaged to help identify candidates.

All candidates for Board positions undergo appropriate background checks, including our Fit and Proper assessment, before they are appointed. Any Director appointed during the year must stand for election at the next annual general meeting, along with Non-executive Directors seeking re-election.

Our Constitution requires all Directors to retire by rotation at least once every three years after their election. Under the Board Charter, the maximum tenure for a Non-executive Director is 10 years, although the Board has the discretion to invite a Non-executive Director to stand for an additional term. All material information relevant to whether to elect or re-elect a Director is set out in the notice of meeting for the annual general meeting provided to shareholders. [Director biographies](#) are set out on our website and other information is contained in the Annual Reports.

New Directors are provided with a letter of appointment and participate in a comprehensive Director induction program. The program includes meeting key people within our business, visiting our customer contact sites and receiving a detailed Director Induction Guide to help them understand the role of the Board, our values, our corporate governance principles, and Directors' rights and obligations, including the requirement to follow our Code of Ethics & Conduct, our Group Anti-Bribery and Corruption Policy, Group Continuous Disclosure Policy and Security Trading Policy.

Understanding our customers

Board members have access to a broad range of customer experiences. They regularly attend the Consumer Advisory Board meetings and participate in customer connection experiences that directly relate to the customer insight reporting that is provided to the Board.

4.11 Evaluating Board, Committee and Director performance

We believe that superior Board performance underpins good governance and better outcomes for our customers and other stakeholders. The Board continuously reviews its performance, and consistent with industry best practice, commissions a formal independent review of its performance annually.

The last independent review was completed in April 2021. The Board also conducts an annual assessment of the performance of each Board Committee against its Charter; these assessments occurred during the reporting period.

Each Director's performance is evaluated annually by the Chairman and the Chairman invites Directors to evaluate her performance. These assessments were undertaken during the reporting period.

4.12 Director independence

We believe Director independence contributes to good governance and delivers superior outcomes for all our stakeholders by encouraging constructive challenge of management.

The Board considers a Director is independent if he or she is free from any interest, position or relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of his or her independent judgement.

The Board has determined that it must comprise a majority of independent Non-executive Directors and that the Chairman must be an independent Non-executive Director. During the reporting period, with the exception of the CEO, all the other Directors on the Board were independent Non-executive Directors, applying the independence definition of the ASX Corporate Governance Council.

All our Directors are assessed annually against formal standards to determine their independent status. Additional assessments are conducted more promptly if a Director considers their independent status may have changed. Directors are required to advise the Board on an ongoing basis of any interest they have that they believe may conflict with the company's interests.

Conflicts of interest, including related party transactions, are a standing agenda item and are considered by the Board and Board Committees at each meeting. If a potential conflict is identified, the relevant Director or the Board may determine that they should not receive documents related to, or take part in discussions or decisions in respect of, that matter.

The [Standards for Assessing the Independence of a Director](#) are available in the About Us section of our website under Corporate Governance.

4.13 Director education and training

We provide our Directors with a comprehensive program of ongoing education and training, which is typically aligned with the Board calendar.

The Board Education Program (the **Program**) is structured to align with the company's strategic pillars.

The Program comprises formal education sessions, customer connection sessions, and other business and employee engagement opportunities. As part of this Program, we also periodically assess the need for Directors to undertake professional development to maintain the skills and knowledge required to perform their roles effectively.

During the 2021 financial year, Directors participated in education sessions covering a broad range of topics including deep dives on the company's reinsurance arrangements, the company's marketing strategy, a holistic view of claims management across the business and the implementation of the updated General Insurance Code of Practice. Wherever possible, the sessions are Trans-Tasman in content.

As a result of the COVID-19 pandemic, we have offered a number of virtual customer connection sessions to ensure that the Board continues to engage with customers, whilst ensuring safety.

We believe our Program is a key part of, and contributes to, the company's foundation of good governance by keeping our Directors up-to-date with the latest knowledge and information relevant to our business and strategy, and by ensuring they have regular ongoing connections with customers and our people, beyond Board, Committee and shareholder meetings.

5. We connect remuneration, culture and performance to reward outcomes that benefit our customers and other stakeholders

We believe our remuneration framework provides a mechanism for encouraging and enforcing good governance.

5.1 Group remuneration and culture

We regularly review our Remuneration Policy's effectiveness and compliance with relevant regulatory requirements, including APRA CPS 510 Governance. The key principles underpinning our Remuneration Policy and our approach are that remuneration should:

- Support our purpose by focusing employees' behaviour and performance on:
 - delivering positive outcomes for customers and the community;
 - building the desired culture within IAG; and
 - generating value for our shareholders.
- Support the attraction and retention of talent with the capabilities and skills needed to drive business performance and deliver IAG's strategy.
- Promote accountability and encourage behaviours that support effective risk management and IAG's long-term financial soundness.
- Reduce the risks of misconduct, regulatory and compliance breaches and other non-financial risks.
- Be simple to understand, delivering pay parity and outcomes that are fair and equitable.
- Provide flexibility for different business requirements now and in the future.

The way we measure and reward performance is designed to promote our purpose-led culture. We monitor changes in our key people measures, such as employee advocacy and agility, on a quarterly basis, with annual performance on these measures contributing to senior executives' variable remuneration outcomes. Our short-term incentive plans also have a Conduct Gateway. This means that individuals who do not comply with our Code of Ethics & Conduct in the way they achieve performance outcomes do not receive a short term incentive that year, regardless of their performance.

In order to receive a short-term award, individuals are also required to satisfactorily complete compliance training courses. These courses are designed to ensure participants know how to protect IAG's customers, operate in a fair and transparent manner, and are compliant with the appropriate regulations.

The Board retains overriding discretion to adjust all forms of variable pay (upwards, downwards and to zero). This discretion applies to both variable pay awards made in the current year and unvested awards from prior years. The Board's ability to apply discretion in this way serves to ensure reward outcomes appropriately reflect performance, including as they relate to risk management.

Risk is an important factor in the way we assess senior executives' performance. Our risk lens considers how the executives discharge their accountabilities, their performance against individual goals, and how effectively they manage risk in achieving outcomes. The Board's Risk Committee also considers material risk events that emerged during the year, with the People and Remuneration Committee determining the size and nature of any remuneration adjustments that should apply. The Chief Risk Officer and Executive General Manager, Group Internal Audit both provide input to inform these assessments.

Senior executives receive a significant component of their remuneration in the form of IAG securities. Executives are prohibited from entering into transactions or arrangements which operate to limit or hedge the economic risk of their unvested entitlements to these IAG securities. For more details, please refer to our [Group Securities Trading Policy](#) which is available in the About Us section of our website under Corporate Governance.

Full details of our approach to executive and Director remuneration, and remuneration outcomes for the 2021 financial year, are set out in the Remuneration Report which is contained in the Directors' Report on pages 34 – 57 of our 2021 Annual Report.

5.2 Executive employment arrangements

All our senior executives have written employment agreements, and we undertake detailed background checks, including Fit and Proper assessments, before employment offers are finalised.

5.3 Performance assessment – CEO and Group Leadership Team

The CEO's performance is assessed against a Group Balanced Scorecard. Group Leadership Team members have their performance assessed against the Group Balanced Scorecard objectives and individual goals.

The Group Chief Risk Officer has a higher weighting of fixed remuneration than other senior executives to ensure the independence of their functions. Performance assessments were undertaken for the CEO and Group Leadership Team during the FY21 financial year.

Before determining final incentive payments, the Board assesses each executive's risk management performance, to ensure that the incentives provided are appropriate.

6. We manage risk to safeguard our business, so we can support our customers and stakeholders

Understanding and managing risk is at the heart of our purpose and delivering our strategy.

We are focused on improving the way we manage risk and on ensuring our risk management framework remains appropriate given our evolving size, business mix and complexity; and that it is fully embedded in our business. We are adapting our risk management processes to align with rising community and stakeholder expectations, heightened regulatory focus, and our future strategy.

Superior risk culture and behaviours are the foundation for appropriate risk management, governance and business sustainability. Our core goal is to conduct our business in a way that is aligned with our purpose. We manage conduct-related matters and risks through an enterprise-wide approach to risk and associated practices.

6.1 Our Risk Management Framework

The Board is responsible for setting our Risk Management Framework and Risk Management Strategy. It is assisted by the Risk Committee, which recommends the Risk Management Framework and Risk Management Strategy and other key risk documents (e.g. the Risk Appetite Statement, Reinsurance Management Strategy and selected IAG policies) to the Board for approval.

The Risk Committee also satisfies itself on the contents of the annual APRA Risk Management Declaration, including the disclosure of matters based on risk reviews conducted during the period.

The Board receives information on significant risk matters and regular updates from the Chairman of the Risk Committee.

The Group Chief Risk Officer and risk function provide regular reports to the Risk Committee on the operation of the Risk Management Strategy, the status of key risks, risk and compliance incidents, and risk framework changes. The Risk Committee considers our enterprise risk profile, risk appetite and core risk documents annually, and maintains regular oversight of the risk management framework (in addition to the annual review process) to satisfy itself that it continues to be sound and that the company is operating with due regard to the risk appetite set by the Board. In addition, members of the Group Leadership Team report to the Risk Committee on the operation of the risk management frameworks embedded in their respective business divisions. Each of the above listed reviews were undertaken during the reporting period.

Our approach to risk management has Three Lines of Defence:

- the First Line is our operational managers (risk owners), who own and manage their risks;
- the Second Line is typically our risk management and compliance teams (risk advisors and risk specialists); and
- the Third Line is our independent audit team.

Members of the Group Leadership Team are responsible for managing risks faced by their business divisions and embedding risk management processes and culture by:

- setting the risk management tone and commitment at the top;
- ensuring their division complies with the requirements of the Risk Management Framework, Risk Management Strategy, Board-approved policies and all applicable regulatory and legal requirements;
- embedding divisional risk owner responsibilities;
- ensuring there are divisional and regional risk teams that have resources appropriate to the nature, scale and diversity of the division, and the necessary standing and support;
- using risk management processes as part of key decision making;
- ensuring the business operates within our risk appetite;
- regularly receiving and considering risk management reports; and
- promoting and reinforcing our proactive risk management culture.

6.2 Group Internal Audit Function

Our Board-established Group Internal Audit function is a key component of our governance framework and our Third Line of Defence (set out above at Section 6.1).

Group Internal Audit evaluates and improves the effectiveness of internal controls, governance processes and overall risk management. Its role is to:

- assure the Board that the financial and operational controls designed to manage our risks and achieve our objectives are operating in an efficient, effective and ethical manner; and
- assist management to improve our business performance.

For our Group Internal Audit function to be effective, it must be independent. The Executive General Manager, Internal Audit, reports functionally to the Audit Committee and administratively to the Chief Financial Officer (CFO), and has direct access to the CEO and the rest of the Group Leadership Team.

6.3 Social and environmental risks

We identify and manage economic, environmental and social sustainability risks as part of our enterprise-wide risk management framework. We use risk profiling and ongoing trend analysis to collect information on these risks and report back to the Group Leadership Team and the Board. We also use this information to update our strategy as appropriate.

The Safer Communities Steering Committee fulfils the role of a sustainability committee for IAG. This Committee is an internal governance body that supports the Group Leadership Team to make decisions on how we respond to sustainability risks.

It meets at least quarterly, is chaired by the Group Executive, People, Performance and Reputation, and comprises senior leaders from across the business.

Climate change has been identified as a key enterprise risk and progress has been made in implementing and monitoring business controls and their effectiveness overseen by the Climate Risks and Opportunities Steering Committee (see IAG's FY21 [Climate-related Disclosure](#) for more information in the Safer Communities section of our website). We conduct a materiality assessment to help guide our safer communities and sustainability approach and ensure our reporting addresses the risks and opportunities that have the greatest importance to our stakeholders and our business.

Details of our material environmental and social risks, how we manage these risks, and information about our other safer communities and sustainability activities are set out in the 2021 Annual Review and Safer Communities Report and in the [Safer Communities](#) section of our website.

Further information on our economic, environmental and social risks are set out in Section C of the Strategy and Risk Management section of the 2021 Annual Report.

Our [Social and Environmental Framework](#) is also available in the About Us section of our website.

6.4 Assurances

The CEO and CFO have assured the Board that the annual declaration provided in accordance with section 295A of the *Corporations Act 2001* (Cth) and the equivalent declaration provided at half year are founded on a sound system of risk management and internal controls, and that the system is operating effectively.

6.5 Verification of periodic corporate reports

The Group's external auditor audits, or in the case of the half year, reviews the Group's financial reports in accordance with the relevant accounting standards. Where a corporate report is not subject to audit or review by an external auditor, management adopts a comprehensive process to prepare, verify and satisfy itself that the report is balanced and materially accurate, and provides investors with appropriate information to make informed investment decisions.

The verification process includes management and operational reviews by the responsible senior executives and involves cross-checking statements, and documenting the various sources of information and data to original source reports with consultation within IAG and with external parties where appropriate. All material documents released to the market are subject to final sign-off and approval by the relevant members of the Group Leadership Team, the CEO and the Board.

In the case of the Annual Review and Safer Communities Report, IAG uses an independent assurance engagement to verify that certain data sets have been prepared and presented appropriately in all material respects.

The Board and its Committees review and approve statutory and other material corporate reports prior to their release to the market. All other periodic corporate reports are submitted for approval to the Continuous Disclosure Committee, a committee comprising senior executives including the CEO and CFO. For more details in relation to our Continuous Disclosure Committee, please refer to our [Group Continuous Disclosure Policy](#) available in the About Us section of our website under Corporate Governance.

6.6 Approach to Tax

IAG's tax strategy is focused on integrity in compliance, reporting and enhancing shareholder value. The strategy is implemented through IAG's tax governance framework. This framework is approved by the Board and supported by governance processes which ensure it is implemented with continued effectiveness. The framework and supporting governance processes include an escalation requirement for key risks that are outside of the parameters approved by the IAG Board.

7. We are committed to best practice disclosure and improving our shareholder engagement

7.1 Continuous Disclosure

As part of our ongoing better governance practices, the Group Continuous Disclosure Policy was reviewed and updated in FY21, which provides the company with a clear, succinct and streamlined continuous disclosure process.

All financial results and media releases that we announce to the market via the ASX market announcements platform are posted to our website. The website also includes:

- information about IAG's operations and corporate governance policies;
- a [Shareholder Centre](#) that has share price and dividend payment histories, and a link to our share registry where shareholders can manage their shareholdings; and
- details of our [Safer Communities](#) activities, including our climate action plan and ongoing performance against our ESG commitments.

As part of our commitment to facilitate an efficient and informed market in IAG securities, all new and substantive investor and analyst presentation materials are released to the market before the presentation.

The Board receives copies of all material market announcements promptly after they have been released to the market.

The [Group Continuous Disclosure Policy](#) is available in the About Us section of our website under Corporate Governance.

7.2 Other Shareholder Communications

IAG communicates formally with all our shareholders at least three times a year at:

- our half year results announcement and any accompanying dividend payment;
- our full year results announcement and any accompanying dividend payment; and
- through our Annual General Meeting (AGM).

We actively encourage our shareholders to embrace the benefits of electronic communication. As at 22 June 2021, approximately 34% of shareholders were registered to receive notices electronically. Communications (including AGM materials, dividend advice and holding balance statements) are available on our website and through our share registry, Computershare.

We also maintain an email alert system that advises investors, beneficial owners and any other interested parties when important media releases, financial announcements, presentations and annual reports are released to the ASX.

We actively promote these features to all our shareholders on dividend payment statements and in AGM materials.

7.3 Investor Relations Program

We have an active investor relations program that facilitates effective two-way communication with investors. This includes:

- post-results meetings with domestic and offshore institutional investors, which take place every six months;

- pre-AGM meetings with our largest shareholders and the major governance advisory bodies; and
- periodic presentations on our strategy or specific aspects of our business, as appropriate.

We continue to examine ways to more actively engage with our substantial retail shareholder base.

7.4 Annual General Meeting

We encourage shareholders to participate in the AGM and ask questions of the Chairman and the Board. Shareholders are provided with an opportunity to ask questions or make comments ahead of, or during, the AGM.

In light of the escalating impact of the COVID-19 Delta variant in Sydney at the time of drafting the Corporate Governance Statement, and in keeping with IAG's purpose – to 'make your world a safer place' – we have decided it is safest for our shareholders and our people for this year's AGM to be held online. Our goal is to ensure that this important forum goes ahead, and that as many shareholders as possible can participate, and that our event is safe for our shareholders and our people. Whilst the Board will not be able to connect with shareholders in the usual way at a physical venue in 2021, we are confident that (like last year) we will be able to hold a fulsome and meaningful AGM online.

We provide clear and informative meeting notices and other communications, and all our meeting materials are available in the [Shareholder Centre](#) area of our website.

The external auditor attends the AGM and is available to respond to questions on the annual financial report.

We offer shareholders and their authorised intermediaries (such as custodians) online proxy and direct voting to make it easy for them to vote on resolutions put to general meetings. Shareholder voting is conducted by a poll, consistent with the ASX Corporate Governance Principles and Recommendations.

We also webcast the AGM live so it can be viewed by shareholders and other interested parties online. Shortly after the meeting concludes, we make available on our website an archived video of the webcast and a transcript of the complete meeting.



8. We review our approach to governance to continuously improve

Aiming for best practice across all elements of our governance enables us to sharpen our focus on delivering our strategy and world-leading customer experiences. To do this, on an ongoing basis, we monitor, review and incorporate opportunities to strengthen our approach to governance, including responding to the changing social and regulatory environment.

We comply with the 4th Edition ASX Principles and Recommendations

For the financial year ended 30 June 2021, we have complied with the ASX Corporate Governance Principles and Recommendations (4th Edition).

Details of our compliance are set out in this Corporate Governance Statement and in the Appendix 4G available at the Results and Reports area of our website.

This Corporate Governance Statement is current as at 11 August 2021 and has been approved by our Board.