

ASX/Media Release

17 December 2018

Australian Securities Exchange
20 Bridge St
Sydney NSW 2000

CONFIRMATION OF CEO COMMENCEMENT

The Board of Freedom Insurance Group Limited (ASX: FIG) ('Freedom') is pleased to advise that Mr Sean Williamson has now commenced effective 14 December 2018 in the role of Chief Executive Officer. Mr Williamson's proposed appointment was previously advised in an ASX announcement on 12 November 2018.

Mr Williamson has 25 years' experience in the life insurance industry in a broad range of roles encompassing technical, distribution, strategy and general management, including 10 years in senior leadership at Australia's largest life insurer, TAL.

Freedom's previous CEO, Mr Craig Orton, will continue as an employee of Freedom until 31 December 2018, to assist with transition of responsibilities.

Commenting on the change in leadership, Freedom Board chairman, Ms Pauline Vamos said, "We are delighted to have a person of Sean's calibre lead the Company through the next phase. His knowledge of the life industry, operational experience and customer centric approach are well-suited to achieving excellent customer outcomes and maximising the value within Freedom for shareholders."

"I would also like to acknowledge and thank Craig Orton for his significant contribution though the recent challenging period for the Company."

The Company also confirms that Freedom's Financial Controller, Mr Adam Scobie, has been appointed Acting Chief Financial Officer. Mr Scobie, who joined Freedom in March 2018, has significant experience in senior financial roles at major companies operating in the Life, General and Health insurance, Reinsurance and financial services markets.

The key terms and conditions of Mr Williamson's appointment are set out in Attachment 1.

ENDS

For more information: investorrelations@freedominsurance.com.au

ATTACHMENT 1 – KEY TERMS OF CEO REMUNERATION

Fixed Remuneration:	<p>\$400,000 per annum, comprising base salary and superannuation.</p> <p>The value of the Fixed Remuneration will increase to \$600,000 in the event that Freedom or a related party acquires a Life Insurance licence.</p>
Short Term Incentives:	<p>Up to 50% of base salary subject to achieving key performance indicators, to be defined by the Board, and subject to adequate business cashflow.</p> <p>Initial STI and key performance indicators include the following:</p> <ul style="list-style-type: none">• Up to \$80,000 by meeting operational KPIs relating to customers, employees and other stakeholders, product enhancement, and risk management.• Up to \$120,000 by meeting strategic KPIs relating to matters including cashflow management, corporate restructuring, cost management and funding.
Long Term Incentives:	<p>Two tranches of options:</p> <ul style="list-style-type: none">• 2% of Freedom’s outstanding share capital, exercise price \$0.045, vesting 31 December 2021• 2% of Freedom’s outstanding share capital, exercise price \$0.055, vesting 31 December 2022
Termination and Notice:	<p>The Company or the CEO may terminate the agreement in the first 3 months with 3 months’ notice. The Company or the CEO may terminate the agreement by providing 6 months’ notice thereafter.</p>