

Notice to company pursuant to ss 249N & P of the Corporations Act 2001 (CA)

I/we
[name of 'shareholder']

of
[address]

.....
identified by the Holder Identification Number (HIN) or Shareholder Reference Number (SRN) [HIN or SRN]

in respect of any holding of the shareholder's Insurance Australia Group Limited ('IAG' or 'the company') ordinary fully paid shares;

hereby give notice (in accord with section 249N & P of the CA) to the company of: the following resolutions (1: Amendment to the Constitution, 2: Climate Risk Disclosure) the shareholder proposes to move at a general meeting of the company; and request (in accordance with section 249P) that the company give to all members each of the Supporting Statements following the resolutions.

SIGNED

.....
(Signature of individual Shareholder [†] /company director)	(Signature of second shareholder in a joint holding/for a company second director or company secretary)

[†] Or sole company director and sole company secretary. JOINT HOLDING: For a holding in more than one name all shareholders must sign)

Resolution 1 – Amendment to the Constitution

To insert into our company's constitution beneath 'General Meetings' the following new sub-clause 10.3A 'Advisory resolutions': "The company in general meeting may by ordinary resolution express an opinion or request information about the way in which a power of the company partially or exclusively vested in the directors has been or should be exercised. However, such a resolution must relate to an issue of material financial relevance and cannot either advocate action which would violate any law or relate to any personal claim or grievance. Such a resolution is advisory only and does not bind the directors or the company."

(Note that an accompanying ordinary resolution seeking climate risk disclosure should also be included on Insurance Australia Group's Notice of 2018 Annual General Meeting. Shareholders who vote by proxy should be able to lodge a vote on both resolutions.)

Supporting Statement 1

Shareholder resolutions are a healthy part of corporate democracy in many jurisdictions other than Australia. For example, in the UK shareholders can consider resolutions seeking to explicitly direct the conduct of the board. In the US, New Zealand and Canada shareholders can consider resolutions seeking to advise their board as to how it should act. As a matter of practice, typically, unless the board permits it, Australian shareholders can follow the example of none of their UK, US, New Zealand or Canadian cousins in this respect.

A board of Directors is a steward for shareholders and accountability for the discharge of that stewardship is essential to long-term corporate prosperity.

In rare situations the appropriate course of action for shareholders dissatisfied with the conduct of board members is to seek to remove them. But in many situations, such a personality-focused approach is unproductive and unwarranted. In those situations, a better course of action is to formally and publicly allow shareholders the opportunity at shareholder meetings such as the AGM to alert board members that they seek more information or favour a particular approach to corporate policy.

The Constitution of Insurance Australia Group Ltd is not conducive to the right of shareholders to place resolutions on the agenda of a shareholder meeting. In our view, this is contrary to the long-term interests of IAG, the IAG board and all IAG shareholders. Passage of this resolution – to amend the IAG constitution – will simply put IAG in a similar position in regard to shareholder resolutions as any listed company in the UK, US, Canada or New Zealand.

We encourage shareholders to vote in favour of this resolution.

Resolution 2 – Climate Risk Disclosure

That in order to address our interest in the longer-term success of the company, given the recognised risks and opportunities associated with climate change, we as shareholders of the company request information about the company's exposure to climate change-related risks. Such information should be provided in routine annual reporting from 2019, in accordance with both the Final Recommendations, and Supplemental Guidance for Insurance Companies, of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD).