



IAG announces redemption of Capital Notes trading as IAGPD

Insurance Australia Group Limited (ASX: IAG) (**IAG**) today announces it will Redeem all \$220.2 million (2,202,481) of IAG Capital Notes issued on 22 December 2016 and trading under ASX code "IAGPD" (**Notes**) that remain on issue, on the Optional Exchange Date of 15 June 2023, in accordance with the Capital Notes Terms.

In accordance with the Capital Notes Terms, IAG may elect to Convert, Redeem or Resell some, or all, of the Notes on 15 June 2023, subject to APRA's prior written approval. The Redemption of all of the Notes has been approved by APRA.

On 15 June 2023, each Capital Note Holder will be entitled to receive the face value of A\$100.00 per Note plus the final Distribution of A\$1.8667 per Note (refer to the ASX on 15 March 2023 for further details in relation to the final Distribution payment) (together, the **Redemption Price**), for each Note held on 7 June 2023 (**Record Date**), subject to the Capital Notes Terms.

The last day of trading of the Notes on the Australian Securities Exchange (**ASX**) will be 5 June 2023.

The Australian taxation consequences in relation to the Redemption and final Distribution may vary according to individual circumstances. It is recommended that Capital Note Holders seek independent tax advice.

The key dates in relation to the Redemption are set out below:

Event	Date
Last day of trading on the ASX	5 June 2023
Record Date for Redemption Price payment	7 June 2023
Redemption Price payment date (the Optional Exchange Date)	15 June 2023

Please note this announcement does not constitute the formal Exchange Notice. The Exchange Notice is published on IAG's website at www.iag.com.au, and a copy of the Exchange Notice is attached to this announcement.

This release has been authorised by the Chief Financial Officer.

Definitions

Unless otherwise defined, capitalised words used in this announcement have the meanings given to them in the Capital Notes Terms. The Capital Notes Terms are set out in the IAG Capital Notes Replacement Prospectus dated 29 November 2016 available at www.iag.com.au.

THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF CAPITAL NOTE HOLDERS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD SEEK ADVICE FROM YOUR FINANCIAL ADVISER OR OTHER PROFESSIONAL ADVISER.

Insurance Australia Group Limited (ABN 60 090 739 923) ("IAG") Exchange Notice
given in respect of the

\$404,126,500 IAG Capital Notes (ASX code: IAGPD) issued on 22 December 2016 (the "Capital Notes")
(of which \$220,248,100 Capital Notes remain on issue)

31 March 2023

A. Exchange of Capital Notes

This notice is an "Exchange Notice" given in accordance with clause 5.1 ("Optional Exchange by IAG") of the terms and conditions of the Capital Notes (the "Terms").

IAG hereby gives notice to each Capital Note Holder as defined in the Terms ("Capital Note Holder") that in accordance with the Terms, it has elected to Exchange all Capital Notes on 15 June 2023 (the "Optional Exchange Date"). The Exchange Method is Redemption in accordance with clause 9 of the Terms.

This Exchange Notice is irrevocable (subject to the Terms).

B. Payment of Redemption Price

Each Capital Note will be Redeemed for \$100 per Capital Note (the "Redemption Price"). Upon payment of the Redemption Price, all Capital Notes will be cancelled.

C. Payment of Final Distribution

A final Distribution of \$1.8667 per Capital Note is scheduled to be paid by IAG in respect of all Capital Notes on 15 June 2023 (the "Final Distribution"), subject to satisfaction of the distribution payment conditions in the Terms.

D. Do Capital Note Holders need to do anything?

Capital Note Holders do not need to do anything in response to this notice. If you are unsure about what to do in respect of your Capital Notes, IAG recommends that you seek professional guidance from a licensed adviser, which takes into account your particular investment objectives and circumstances.

E. Trading

The last date for trading in Capital Notes is 5 June 2023 and the Record Date for the payment of the Redemption Price and the Final Distribution is 7 June 2023.

F. Payments

All payments in respect of the Capital Notes will be subject to clause 16 ("Payments, withholding and other matters") of the Terms.

In order to facilitate payment of the Final Distribution and Redemption Price, Capital Note Holders are advised to ensure that they have provided their preferred Australian bank account details to the Registrar.

Capital Note Holders seeking to update their bank account details should do so online at www.computershare.com.au/easyupdate/iag or by contacting the Registrar on 1300 360 688 (within Australia) or +61 3 9415 4210 (outside Australia) (Monday to Friday, 8.30am to 5pm Sydney time).

G. Definitions

Terms used and not otherwise defined in this Exchange Notice have the meaning given to them in the Terms.

Insurance Australia Group Limited (ABN 60 090 739 923)

About IAG

IAG is the parent company of a general insurance group with operations in Australia and New Zealand. IAG's main businesses underwrite over \$13 billion of insurance premium per annum under many leading brands, including: NRMA Insurance, RACV (under a distribution agreement with RACV), CGU, SGIO, SGIC and WFI (Australia); and NZI, State, AMI and Lumley (New Zealand). For further information, please visit www.iag.com.au.

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