

10 November 2022

2022 Annual General Meeting

Attached are the Chairman and Chief Executive Officer addresses to shareholders to be presented today at the Insignia Financial Ltd 2022 Annual General Meeting (AGM).

The AGM will be held at 9.30am at 'The Residence' room at the Grand Hyatt, 123 Collins Street Melbourne, Victoria 3000.

For shareholders who are unable to attend in person, the AGM can be viewed online from 9.30am using the following link:

<https://web.lumiagm.com/390923447>

For more information please see our website. Please note, a recording will be available on our website shortly after the event.

-ENDS-

Authorised for release by the Group Company Secretary of Insignia Financial Ltd.

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About Insignia Financial Ltd

Insignia Financial has been helping Australians secure their financial future since 1846. During that time, we have grown substantially to become one of the largest groups in the financial services industry.

Insignia Financial provides advisers and their clients with the following services:

- **Financial Advice** services via our extensive network of financial advisers;
- **Portfolio & Estate Administration** for advisers, their clients and hundreds of employers in Australia; and
- **Investment Management** products that are designed to suit any investor's needs.

Further information about Insignia Financial can be found at

www.insigniafinancial.com.au

Chairman's Address to the AGM 10 November 2022

Good morning ladies and gentlemen, and welcome to the 2022 Annual General Meeting of shareholders.

I would like to start by acknowledging the Traditional Custodians of Country on which we meet today and recognise their continuing connection to lands, waters and communities. Where I stand, I acknowledge the Wurundjeri People of the Kulin Nation, and pay my respects to Aboriginal and Torres Strait Islander peoples and their cultures, and to Elders past and present.

It is almost a year since you, our shareholders, endorsed the decision to change our company name to Insignia Financial Ltd. To unite our people from three heritage organisations - IOOF, ANZ Wealth, and MLC - around our shared ambition of creating financial wellbeing for every Australian. And what a year it has been.

The COVID-19 pandemic continued to impact the economy, our ways of working and many of our people. Now, with only a few restrictions remaining, we can see the new normal emerging.

That being said, the past year and current macroeconomic environment is still not short of challenges – from the conflict in Ukraine impacting the global economy, through to the inflationary pressures from the sharp rise in cost of living, which many Australians are experiencing.

As your Chair, I am committed to supporting Insignia Financial's ambition to create financial wellbeing for all Australians especially during times of uncertainty.

Business performance and strategic initiatives

Despite the challenging external environment, we have a clear focus and have delivered on many strategic initiatives during the year.

Our main priority over the past 12 months has been the transformation of our business through integration and simplification. We completed our first full year of MLC ownership which pleasingly contributed to our 59% increase in underlying net profit after tax.

Our increased scale as an integrated organisation has started to deliver benefits with adviser numbers beginning to stabilise, improvement in platform flows, and strong investment performance.

As reported in our full year 2022 results we delivered \$78 million in savings and realised \$124 million of annualised synergies. By the end of the first half of financial year 2023 we will have largely realised the MLC acquisition synergy target. A great achievement indeed and this accelerated outcome allows us to move onto the task of simplifying the business; delivering benefits to members and shareholders.

The organisation continues to demonstrate its ability to execute on large scale strategic priorities. All ultimately designed to strengthen the business and improve client outcomes and experience, underpinned by our ClientFirst philosophy.

In addition to our focus on delivery, we have continued to integrate environmental, social and governance (ESG) initiatives across our business. Climate change is a key focus of the Board and the Management team. ESG issues can have a material impact on company value and appropriate management of these issues is increasingly expected and can return value to shareholders.

Commitment to sustainable practices

In terms of climate action, this year we committed as an organisation to achieving net zero carbon emissions by 2050, and further reducing our emissions from corporate operations by 2030.

Importantly, in June this year we achieved carbon neutral status across our business operations through offsetting scope 1, 2, and 3 emissions, and we are now a Climate Active accredited organisation.

In addition, we delivered our first Task Force on Climate-related Financial Disclosures report, within the annual report, to address the business and financial risks of climate change. As a further sign of our environmental intent, Asset Management appointed a Head of Responsible Investing as part of our commitment to uplifting ESG capability across the organisation.

We all have an important role to play in our commitment to achieving net zero carbon emissions by 2050 and acknowledge that the sustainability of our business is intrinsically linked to the sustainability of the environment and the communities in which we operate.

Governance framework

Turning to governance – our governance framework is central to ensuring we manage our clients' and members' money with exemplary care. This is also the focus of the Insignia Financial Board and the boards of our Insignia trustee entities.

Insignia Financial is now one of the largest superannuation providers in Australia, responsible for nearly 2 million superannuation members. As a result of a number of acquisitions including MLC and ANZ, we now have four superannuation businesses we are in the process of simplifying and consolidating, to create better outcomes for members.

Following a prudential review, the Australian Prudential Regulation Authority (APRA) announced on 3 November, it is imposing additional licence conditions on the Registrable Superannuation Entity Licences of the four superannuation trustees. These partly supersede existing licence conditions.

In short, the licence conditions require the superannuation trustees to uplift their governance and risk management frameworks and practices to meet APRA's requirements. Implementation of a number of actions required under the additional licence conditions has already commenced, including work to uplift products and systems.

I can assure you, Insignia Financial Trustees, the Board and Executive team take their statutory and regulatory obligations seriously. We acknowledge APRA's concerns and are working collaboratively with them to address these concerns and ensure we remain true to our goal of delivering better outcomes for members.

We all belong

Moving on to our people – an important part of the culture at Insignia Financial is the belief that it's a place where we all belong.

Diversity and inclusion scored well again on the most recent Our Voice employee survey where 85% of employees agree Insignia Financial values diversity, that's 5 points above the external benchmark.

We have made strong progress around gender diversity with 45% female representation in senior management roles as at 30 June. Our gender pay gap is less than the industry average having decreased to 14.3%. We look forward to the future where the gender pay gap is no longer a point of discussion.

One of our core values is 'Look after me' and we acknowledge how important it is to support our community. The IOOF Foundation has contributed more than \$17 million to Australian communities since inception and continues to have deep impact. Our employees also contributed meaningfully through volunteer hours which more than doubled this financial year. Financial contributions were up by over a third, thanks to individual generosity and our matched giving program. We hope to touch as many lives as we can and improve the wellbeing for all Australians.

Closing remarks

As I have outlined today, we have made great progress in delivering on our strategic priorities against a challenging external backdrop.

We have scale across our three business lines of advice, asset management and platform administration. Insignia Financial is an even stronger business, with a clear growth strategy, a track record for delivery and a determination to deliver improved experience and outcomes to our clients and shareholders.

As we move into financial year 2023, our confidence in our financial wellbeing strategy is stronger than ever.

I speak on behalf of the Board when I say, we are committed to helping Insignia Financial build on the strong progress achieved so far, and remain focused on

continuing to deliver prudent outcomes for all our stakeholders including you, our shareholders.

In closing, I'd like to thank the IOOF Foundation Board and Chairperson Angie Dickschen, the Insignia Financial Board for their expertise and counsel, Renato and the Executive team, as well as the thousands of employees who have showed determined focus on delivering for clients every day. I believe the business is well placed to continue to deliver on its ambition to create financial wellbeing for all Australians.

I'll now hand over to Renato to share an update from the business.

Thank you.

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CEO Address to the AGM 10 November 2022

Thank you, Allan.

...and thank you all for attending our 2022 Annual General Meeting, the first one we've been able to hold in person for three years. I hope you're enjoying the opportunity to connect; I know our people are rediscovering the importance of connection, as they return to the office in a hybrid working environment.

Allan referenced in his address our new company name, I wanted to reiterate that becoming Insignia Financial is more than simply a change in name, it reflects the creation of a new organisation, a new identity, bringing our people together with shared focus, purpose and culture. As Insignia Financial, we're driven by our ambition to create financial wellbeing for every Australian – and as we stand here today, we are confident we have the necessary capabilities, economic diversity, and scale to deliver on our ambition.

As a diversified financial wellbeing company, we have exposure to the three main economic drivers of financial wellbeing – advice, platforms (including superannuation) and asset management. We have a diverse range of channels to market, and this economic and channel diversity translates to both business resilience and competitive advantage.

Part of this competitive advantage is in the network effect of running these three businesses side by side. Insights and knowledge developed in one segment are shared across the other two providing us with an ability to get closer to our clients' needs.

In addition to the network effect, its crucial each segment has a value proposition in its own right, and a sustainable economic model to match.

FY22 Financial Results

It was through the disciplined execution of our strategic priorities in FY22 that we delivered a strong result and established solid foundations for growth.

Firstly, we delivered on our commitments – doing what we said we would do across the three lines of business.

Secondly, our strategic decisions have driven a significant turnaround in flows.

Reflecting on the last 12 months it's clear the MLC acquisition has provided a solid foundation, and positive momentum for growth.

Revisiting some of the key highlights – we produced a strong result across the board with an Underlying Net Profit After Tax (UNPAT) increase of 59% to \$234.5 million. This was supported by strong synergy realisation with \$78.0 million of in-year synergies

for the 2022 financial year. Net Profit After Tax (NPAT) was \$36.8 million reflecting integration and one-off costs. Total dividends of 23.6 cents per share were delivered for the year, including the final ordinary dividend of 11.8 cents per share.

Delivering strong business performance

Turning to business unit performance – the past 12 months have been eventful to say the least. We have delivered on various strategic priorities, continued our transformation journey, and evolved into Insignia Financial, all while operating in a challenging external environment.

In Advice, the reshaping of the business is having a meaningful impact on the earnings, sustainability, and quality of advice outcomes. We achieved the milestone of break even for the ex-ANZ licensees, and integrated MLC Advice with Bridges under a refreshed brand, unified culture, and common technology. This has generated economies of scale and broader efficiencies thanks to shared technology and processes.

Pleasingly, we delivered a significant turnaround in platform flows with a \$3.1 billion improvement in net flows over the prior corresponding period on a pro forma basis. Funds under administration totalled \$198.2 billion at 30 June 2022 (excluding Australian Executor Trustees). This has been achieved alongside an ambitious platform simplification agenda, delivering two systems migrations during the year. Significant investment in our modern, proprietary Evolve platform and other third-party platforms, has improved the client experience through additional features, product enhancements and pricing initiatives, and there is more to come. Thanks to increased scale and cutting-edge technology, our Evolve platform is well positioned for further revenue growth.

In Asset Management, the integration of the MLC and IOOF investment teams under a single Chief Investment Officer enables us to leverage our scale, to streamline our product range and utilise knowledge and skills across the combined business. Importantly for our clients, we delivered strong investment performance across our multi-asset and single asset class capabilities with some 87% of funds under management exceeding objectives over five years.

We also delivered on the sale of AET, providing further focus and simplification benefits to the organisation.

On our commitment to ESG, as Allan mentioned, we achieved carbon neutral status for Insignia Financial as a clear sign of our environmental intent and our commitment to uplifting our ESG capability across the organisation.

Simplification remains a key feature of our strategic intent and a major source of value and growth opportunities for both members of our funds and shareholders. As I've mentioned previously, lower cost-to-serve is one of the benefits of scale, with these benefits being shared between members by way of improved pricing and shareholders by way of greater growth.

Our continued focus on simplification and growth, combined with the strength of our balance sheet, positions us well to continue the meaningful progress we have made and sets the business up for success in years to come.

Technology as a differentiator

Technology has a crucial role to play in differentiating both what we do, and the way we do it. The Quality of Advice Review was established by the government in March this year and is concerned with ensuring Australians have access to high quality, affordable, and accessible financial advice. In our submission to the review, we recognised that consumer financial needs exist along a continuum, and we see a tremendous opportunity to improve the lives of Australians by making advice more accessible.

We believe innovation will help us deliver advice across different digital channels and we are focused on using technology to improve the client experience and drive personalisation.

Technology also affords us the opportunity to reach those who do not currently receive financial advice. As a tool, technology can drive more efficiency for full-service advisers and their clients. For example, our Wealth Central technology is being utilised to enhance the client and adviser experience by streamlining the advice process and increasing the productivity of face-to-face engagement. We are also leveraging technology to free up our people to spend more time on the work that matters most, such as having meaningful interactions with clients.

Looking ahead

As we continue to navigate recent geopolitical and market events and the increasing impact of rising inflation, we remain steadfast in our ambition to create financial wellbeing for all Australians.

Having successfully executed key deliverables over the past year, Insignia Financial has a clear plan for developing a leading position in the industry and allowing us to capitalise on continued growth across our three business lines.

I would like to reiterate Allan's comments in relation to the recent license conditions imposed by APRA. Our plans to transform the business have always been built on a premise of upholding the highest standard of governance in how we serve the Trustees and delivering better outcomes to members. At this point in our transformation, we are not where we need to be, and we view these conditions as a helpful contributor to get us there. I, and the executive team, are committed to ensuring good governance is operationalised through our conduct and practices.

Through our at-scale presence and expertise across advice, platforms and asset management, we have confidence in our competitive advantage and our ability to grow.

We are building the foundations of our reputation and brand in market, through our people and core principles, and ensuring this translates into organisational agility and leading technology and service through our simplification agenda.

All of this ultimately goes to support our ambition and addressing a basic human need, across a broad spectrum of Australians.

I'm confident we are creating a business that is relevant and resilient, ready to seize emerging growth opportunities, and continue to deliver sustainable returns to shareholders.

Before handing back to Allan, I would like to take a moment to thank my Executive Team and all our people for their ongoing commitment in striving to deliver the best outcomes for our clients and for our shareholders. I would also like to express my gratitude to Allan and the Board for their ongoing support and counsel.

Thank you.

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