

The logo for Peppermoney, featuring the word "peppermoney" in a lowercase, sans-serif font. The "pepper" part is in red, and the "money" part is in black. A thick, dark green curved line separates the white background of the logo from the red background of the slide.

peppermoney

Annual General Meeting

23 May 2024

Annual General Meeting

We acknowledge the traditional custodians of the land on which we meet today, the **Gadigal people** of the **Eora Nation**.

We pay our respects to each of their Elders, past, present, and emerging.



Today's Presenters



Mike Culhane

Chair & Shareholder Representative

Founded Pepper Money in 2000

Held the position of CEO of the Pepper Global Group until the end of CY2023, at which time he stepped down from daily operational responsibilities, retaining key board positions for Pepper Global Group companies

Prior to founding Pepper Global Group, served as the Executive Chair of Future Mortgages (UK) and CEO (London office) of FBR



Mario Rehayem

Chief Executive Officer

Joined Pepper Money in 2011, and appointed CEO of Pepper Money in 2017

Over 20 years' experience across banking and finance

Previously held senior positions in APRA regulated entities and the non-bank sector, including as State Manager, Mortgage Broker Distribution at Westpac Banking Corporation



John Williams

General Counsel & Company Secretary

Joined Pepper Money in 2012

Advises senior management and the Board on legal matters, leads Pepper Money's legal and secretariat teams and manages the work of external legal advisors

Previously held positions at GE Capital and as a solicitor with Mallesons Stephen Jacques (now King & Wood Mallesons)

Board of Directors

Our Mission

We help people succeed

Our Values



Can do



Balanced



Real



MIKE CULHANE

JUSTINE TURNBULL

MARIO REHAYEM

DES O'SHEA

MIKE CUTTER

AKIKO JACKSON

ROB VERLANDER

How to ask a question

ONLINE PLATFORM GUIDE

[www.peppermoney.com.au/about/shareholders/key date & AGM](http://www.peppermoney.com.au/about/shareholders/key%20date%20&%20AGM)

PHONE LINES TO ASK A QUESTION

1800 809 971

+61 (02) 9007 3187

ONLINE PLATFORM USER GUIDE

To view/listen to proceedings please select the **'Broadcast' bar**, then press **play** to begin the presentation.

To view/maximise the webcast, please click on the white square in the **top right hand of the screen**.

You will find this in the **'Broadcast' bar**. The broadcast can be minimised, audio will continue to play.



2023 Highlights

Our Mission

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Originations

\$7.3bn

(24)% vs PCP

Total AUM¹

\$19.7bn

Highest AUM achieved by the business

Funding

\$5.4bn

Raised from Public Term Securitisation over 2023

Warehouse capacity

\$9.3bn²

(18)% vs December 2022

Diversified business

% Total Operating Income

55%

Mortgages

43%

Asset Finance

2%

Loan & Other Servicing

Credit quality

0.28%

Loan losses³ as a % Lending AUM
(6)bps vs PCP

Operational efficiency

(1)%

Increase in Pro-forma Normalised Operating Expenses⁴

Pro-forma NPAT

\$111.1m

(22)% vs PCP

Customers helped

89,134

Customers welcomed over 2023

455,248

Customers helped since 2004⁵

Customer NPS⁶

6

Home Loans
+9 points

50

Asset Finance
+27 points

66

Personal Loans
+44 points

Our people

75

Engagement score⁷

45%

Women in Management⁸

Our shareholders

5.0

cps final dividend⁹

8.6

cps total dividend CY2023¹⁰

34%

Payout ratio¹¹ for full year

Notes: 1. Total Lending and Servicing AUM – December close. 2. Includes Pepper Money Notes. 3. Loan Losses exclude Post Model Overlay. 4. Normalised Pro-forma Operating Expenses removes the impact of Stratton Finance Pty Ltd acquired 1 July 2022, and excludes Depreciation and Amortisation and Corporate Interest Expense. 5. Cumulative number of customers from 2004 to 31 December 2023. Includes HSBC New Zealand residential mortgage customers who transferred on acquisition of the portfolio. 6. Survey conducted by RFI Global - Pepper Money NPS measurement and tracking, September 2023. Points variance is versus industry average. 7. Pepper Money Limited CY2023 Employee Engagement Survey conducted by Custom Insights, 11 September – 22 September 2023. Results for Australia and New Zealand. Pepper Money Manila Employee engagement under the same survey saw response rate of 99% and a score of 81. 8. As at 31 December 2023. 9. Based on Pro-forma NPAT 1 July – 31 December 2023. 10. Sum of CY2023 interim and final dividends (rounded). 11. Payout ratio based on CY2023 full year Pro-forma NPAT.

Operating environment

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Can do



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Real



Improving outlook

Mortgage market – stabilising. Refinancing materially declined

Interest rate - holding over CY2024, decreasing CY2025

Customers – continue to adjust

Funding margins – continue to improve



Continuing to watch

Customer adjust to high interest rates

Asset Finance performance – credit performance

Sticky inflation

Geo-political uncertainty

Incoming Chair



Akiko Jackson

Chair

Appointed Chair 23 May 2024. Appointed to Board 6 May 2021

Akiko is an internationally experienced Non-Executive Director and strategy adviser. Akiko has more than 30 years' experience as an executive in the financial services industry including with the Commonwealth Bank of Australia, Macquarie Bank and Westpac in Australia and MUFG Bank and Shinsei Bank in Japan, and as a strategy management consultant in the US and Australia. Akiko has worked in both the private and the public sectors, in large corporations and start-ups and has extensive experience in strategy & business development, risk management and large-scale transformation, including digital transformation.

Akiko is a Non-Executive Director of the Australian Children's Education and Care Quality Authority ("ACECQA"), the Foundation and Friends (F&F) of the Botanic Gardens and Sir Roland Wilson Foundation, and a member of the Audit & Risk Committee of Infrastructure NSW and the Transport for NSW. She is the Chair of the Audit, Finance & Risk Committee of ACECQA and the Chair of the Finance, Audit & Risk Committee of the F&F. Akiko's past directorship includes a Non-Executive Director of 86 400 Limited, as well as being a member of the Advisory Committee of the Australian Treasury, the Portfolio Advisory Council of Services Australia and the Strategy Advisory Committee of the Department of Immigration and Border Protection.

Akiko is a Fellow of FINSIA and a Graduate of the AICD. She is a Fulbright Scholar with an MBA from Stanford University in the US and has a Bachelor of Law from Keio University in Tokyo.

Agenda Item 1: Company Financial Report ended 31 December 2023

To receive the Company's Financial Report for the financial year ended 31 December 2023



Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit,
to pass the following resolution
as an ordinary resolution:



That, for the purposes of section 250R(2) of the *Corporations Act* and for all other purposes, the **Remuneration Report** of the Company for the financial year ended 31 December 2023 as disclosed in the Directors' Report be adopted.



Resolution 1: Adoption of Remuneration Report

| RESOLUTION DETAILS | |
|--|-----------------|
| Resolution | Resolution Type |
| Resolution 1: Adoption of Remuneration Report | Ordinary |

| INSTRUCTIONS GIVEN TO VALIDLY APPOINTED DIRECTORS (as at proxy close) | | | |
|---|------------|--------------------|---------|
| For | Against | Proxy's Discretion | Abstain |
| 358,083,716 | 12,756,230 | 103,372 | 174,691 |

Resolution 2: Re-election of James Desmond O'Shea as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:



That **James Desmond O'Shea**, retiring as a Director of the Company in accordance with rule 6.2(c) of the Company's constitution and who has consented to stand for re-election (and being eligible), be re-elected as a Director of the Company in accordance with rule 6.3(a)(i) of the Company's constitution.



Resolution 2: Re-election of James Desmond O’Shea as a Director

| RESOLUTION DETAILS | |
|--|-----------------|
| Resolution | Resolution Type |
| Resolution 2: Re-election of James Desmond O’Shea as a Director | Ordinary |

| INSTRUCTIONS GIVEN TO VALIDLY APPOINTED DIRECTORS (as at proxy close) | | | |
|---|-----------|--------------------|---------|
| For | Against | Proxy’s Discretion | Abstain |
| 371,559,065 | 1,283,216 | 99,138 | 758,956 |

Resolution 3: Re-election of Michael John Cutter as a Director

To consider and, if thought fit,
to pass the following resolution
as an ordinary resolution:



That **Michael John Cutter**, retiring as a Director of the Company in accordance with rule 6.2(c) of the Company's constitution and who has consented to stand for re-election (and being eligible), be re-elected as a Director of the Company in accordance with rule 6.3(a)(i) of the Company's constitution.



Resolution 3 : Re-election of Michael John Cutter as a Director

| RESOLUTION DETAILS | |
|---|-----------------|
| Resolution | Resolution Type |
| Resolution 3: Re-election of Michael John Cutter as a Director | Ordinary |

| INSTRUCTIONS GIVEN TO VALIDLY APPOINTED DIRECTORS (as at proxy close) | | | |
|---|---------|--------------------|---------|
| For | Against | Proxy's Discretion | Abstain |
| 373,086,356 | 374,889 | 108,588 | 130,542 |

Resolution 4: : Issue of Rights under the Executive Rights Plan to Mario Rehayem

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:



That for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to grant **1,183,394 Rights** to Director and Chief Executive Officer of the Company, **Mario Rehayem**, in respect of his long-term variable remuneration component for year ending 31 December 2024, in accordance with the relevant **Executive Rights Plan** rules and on the terms and conditions described in the Explanatory Memorandum accompanying this Notice of Meeting.



Resolution 4 : Issue of Rights under the Executive Rights Plan to Mario Rehayem

| RESOLUTION DETAILS | |
|---|-----------------|
| Resolution | Resolution Type |
| Resolution 4: Issuance of Rights under the Executive Rights Plan to Mario Rehayem | Ordinary |

| INSTRUCTIONS GIVEN TO VALIDLY APPOINTED DIRECTORS (as at proxy close) | | | |
|---|------------|--------------------|-----------|
| For | Against | Proxy's Discretion | Abstain |
| 337,615,987 | 33,515,610 | 98,732 | 2,470,046 |

Resolution 5: Issue of Restricted Rights under the STVR Plan to Mario Rehayem

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:



That for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to grant 172,220 **Restricted Rights** to Director and Chief Executive Officer of the Company, **Mario Rehayem**, in respect of his short-term variable remuneration component for year ended 31 December 2023, in accordance with the relevant **STVR Plan** rules and on the terms and conditions described in the Explanatory Memorandum accompanying this Notice of Meeting



Resolution 5 : Issuance of Restricted Rights under the STVR Plan to Mario Rehayem

| RESOLUTION DETAILS | |
|--|-----------------|
| Resolution | Resolution Type |
| Resolution 4: Issuance of Restricted Rights under the STVR Plan to Mario Rehayem | Ordinary |

| INSTRUCTIONS GIVEN TO VALIDLY APPOINTED DIRECTORS (as at proxy close) | | | |
|---|---------|--------------------|-----------|
| For | Against | Proxy's Discretion | Abstain |
| 370,970,118 | 161,479 | 98,732 | 2,470,046 |

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Thank you

on behalf of all of Pepper Money

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For more information visit
www.peppermoney.com.au

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Company Secretary

Pepper Money Limited

John Williams

T +61 (02) 7227 3811

E jwilliams@pepper.com.au

Investor Relations

Reunion Capital Partners

Gordon Livingstone

M +61 (0) 417 695 138

E glivingstone@reunioncapital.com.au

Media Relations

Morrow Sodali

Helen Karlis

M +61 (0) 419 593 348/

E h.karlis@morrrowsodali.com