

ASX Release – 21 November 2024

2024 Annual General Meeting

Attached are the Chairman and Chief Executive Officer addresses to shareholders to be presented today at the Insignia Financial Ltd 2024 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://meetings.lumiconnect.com/300-877-738-607>

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

This announcement was approved for release by the Group Company Secretary of Insignia Financial Ltd.

About Insignia Financial Ltd

With origins dating back to 1846, today the Insignia Financial Group is a leading Australian wealth manager. Insignia Financial Ltd provides financial advice, superannuation, wrap platforms and asset management services to members, financial advisers and corporate employers.

Further information about Insignia Financial can be found at www.insigniafinancial.com.au

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2024 AGM Chairman's Address

Good morning everyone.

Welcome to Insignia Financial's 2024 Annual General Meeting.

Before I take you through the highlights for the year, I want to start by addressing our decision to pause the final dividend for the year. We are aware of the disappointment that this has caused, but I want to reassure everyone that the Board has not changed the dividend target of 60-90% of underlying net profit after tax (UNPAT), and we view the pause in final dividend as temporary only. This was required to further strengthen our balance sheet, and we are confident that protecting the balance sheet is the prudent decision in view of the macro-economic outlook, and will support our accelerated cost reduction plan, finalisation of remediation, and provide flexibility for strategic growth opportunities. It is unlikely that we will declare an interim dividend for the first half of FY25, but I would like to reiterate that we do consider this to be a pause only, and our target remains at 60-90% of UNPAT.

The past year was one of significant leadership renewal for Insignia Financial. Our new Chief Executive Officer, Scott Hartley, who is here with me today, commenced on the first of March. Scott brings significant industry and strategic leadership experience and his appointment was key to providing a fresh perspective to lead the next phase of our strategy to drive sustainable growth, which I'll comment on later in my address.

Leadership renewal was also evident at Board level. We routinely assess the composition of the Board against our strategic plan to ensure we have the right knowledge, skills, and experience to guide the business into the future. Today we are fortunate to have two new Non-Executive Directors standing for election: Ms Gai McGrath (who was appointed on the 4th of March) and Ms Jodie Hampshire (who was appointed on the 1st of May). Gai and Jodie both bring significant wealth management industry experience to the Board, and particularly well-developed skills in the areas of strategic planning and organisational transformation. Gai also brings expertise in operations management and optimisation and Jodie in investment management and performance. Their particular skillsets allow for a balance of fresh perspectives with the retention of corporate knowledge. With the addition of Gai and Jodie, the Board and I are confident that we have the right mix of knowledge, skills, and experience to guide the business into the future.

John Selak and I are both standing for re-election today. John has signalled his intention to step down from the Board at next year's AGM as he reaches his nine-year anniversary. It is important to renew and refresh the board, but the Board is also cognisant of the need to ensure there is a smooth transition, and that knowledge of our business and critical skills and expertise are retained. The regeneration of the Board must be balanced with the organisational need for

stability, particularly at a time when there is such significant leadership renewal at both the Board and Executive levels. The Board recommends a vote in favour of all directors standing for election or re-election today.

I would like to take the opportunity to bid farewell to Elizabeth Flynn. As foreshadowed in previous announcements and with her successor, Gai McGrath, now in place, Elizabeth will step down from the Insignia Financial Ltd Board at the conclusion of today's proceedings. I would like to thank Elizabeth for her outstanding contribution and commitment to Insignia Financial over the last nine years.

Over the past 12 months we continued to improve our risk governance framework and our superannuation trustees have made progress on meeting the commitments under the Rectification Action Plan agreed with APRA. In July, APRA accepted a Court Enforceable Undertaking by one of Insignia Financial's superannuation trustees, OnePath Custodians Pty Limited, or 'OPC'. OPC has acknowledged APRA's concerns and committed to completing the remediation of impacted members.

In September, Danielle Press was appointed as Non-Executive Director of Insignia Financial's trustee boards, and she will commence her role as Chair on the 25th of this month. Danielle brings strong insight into regulator expectations and perspectives, as well as a wealth of industry knowledge, and her appointment highlights our ongoing focus on and commitment to uplifting our risk governance culture. I would like to take this opportunity to thank the Trustees Chair Lindsay Smartt who, after five years with the organisation, has decided to step down. Lindsay has played a significant role in how we, at Insignia Financial, look after our superannuation members and their best interests.

The Company also recently announced a new operating structure and executive team changes. This new model and executive team, which comprises a mixture of new external appointments and existing executives, will enhance end-to-end accountability and improve risk management and governance, with the intention of delivering better outcomes for clients and shareholders.

Our results for FY24 show that we are gaining momentum, and Scott will speak to this during his address. But there is still more to do. FY24 was a year of delivery on the strategic priorities of simplifying our business and laying the foundations for long-term sustainable growth. While our current strategy - FY24-25 - is focused on separation, simplification, and governance uplift, our new FY26-30 strategy, which Scott will speak to shortly, will shift the focus towards sustainable and profitable growth. This growth focus aims to capture the benefits of our size and scale and leverage our market position to deliver long-term earnings growth to our shareholders.

The strategy, which we announced last week, has been developed over the last six months. The Board has worked closely with management to identify the most important strategic priorities to drive earnings growth in the years ahead. The five-year horizon is deliberate because we know this strategy will need this time to deliver, year on year. We are now working with management to get this strategy off to a strong start. In FY25 we continue to focus on our cost optimisation program; accelerating this leading into our new strategy in FY26.

We are also progressing our evolving environmental, social, and governance agenda. In the past year we adopted the National Work and Family Standards framework, which encompasses flexible working arrangements, parental leave, leadership culture, family care, and family wellbeing. The adoption of this framework certified us as a Family Inclusive Workplace employer.

We continued our commitment to the Community through the Insignia Community Foundation. In FY24 the Foundation revisited its community investment strategy to provide better clarity on its purpose and how its addressing challenges in society that align with its impact areas of financial wellbeing, basic needs, reconciliation, mental health, and diversity and inclusion. We also focused more of our time on volunteering, filling almost 2,000 voluntary engagements in FY24.

Against a backdrop of persistent inflation, higher interest rates, and increasing geopolitical uncertainty, we have made strong progress on our commitments. I am confident that FY25 will see the delivery of our accelerated current strategy and position us well for embarking on our new strategic priorities.

I would like to thank you, our shareholders, for your continued support while we strengthen our business, deliver on our strategy, and further position ourselves for sustainable and profitable growth.

In closing, I extend my thanks to the Insignia Financial Board of Directors, and the boards of our responsible and registrable superannuation entities, for their expert guidance. And on behalf of the Board, I want to express appreciation to all of our employees, and our customers for their persistent support over the past year.

I'll now hand over to Scott to share an update from the business and talk more about our new strategy.

Thank you.

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2024 AGM CEO Address

Thank you, Allan, and thank you all for attending our 2024 Annual General Meeting.

I'm honoured to be here in front of you all at my first AGM as Insignia Financial's CEO.

It is pleasing to report that Insignia Financial delivered an improved underlying net profit after tax of \$217 million for the year ended 30 June 2024, an increase of 13.6% over the prior year on a continuing operations basis. We are also seeing positive momentum in the underlying business, driven by revenue growth and higher average funds under management and administration, otherwise known as FUMA. Our average FUMA of \$301 billion, up 3% from FY23, reflects the benefits of scale and positive market conditions. Net revenue in our Platforms segment increased by 0.9%, supported by strategic repricing and consistent inflows into our Expand Wrap.

Workplace Super again delivered positive net inflows of \$1.4 billion in FY24, thanks to organic growth. However, these positive flows were offset by outflows in our legacy wrap platforms and personal Super division and we are implementing plans to arrest this outflow.

Another major achievement in FY24 was the successful completion of the largest single wrap migration in Australia's platform industry. We migrated \$38.6 billion from MLC Wrap to Expand, marking a significant step in capability, driving scale and operational efficiency. This migration has already begun to deliver tangible benefits, with further scale expected to enhance efficiency across the business. Looking forward, we are on track for separation from NAB this financial year, with the program's final major milestone planned to occur this month when we transition over 700,000 member accounts from NAB into the Insignia Financial environment.

Our cost optimisation efforts have also yielded promising results. In FY24, we exceeded our targeted savings, achieving optimisation benefits of \$71 million, resulting in a net cost reduction of \$24 million. However, there is more to do, and we are accelerating our efforts this financial year, targeting a net cost reduction of \$60–65 million. Simplifying and optimising our business remains a top priority, and during FY24, in an effort to reduce complexity, we made key decisions, including the divestment of IOOF Ltd, Millennium3 Financial Services, IOOF Insurance Brokers, and Godfrey Pembroke.

Another significant milestone was the successful separation of Rhombus Advisory, our self-employed advice licensee business, on 1 July 2024. This business, comprising Consultum, RI Advice, and TenFifty, is now majority owned by the financial advisory businesses that it serves. We have kept a minority equity stake, while continuing to build relationships with Rhombus licenced advisers and focusing on growing our retained employed advice businesses, Shadforth and Bridges.

As Chief Executive Officer since March of this year, I feel a profound responsibility to steward this business into its next phase of growth. During my first months in this role, I dedicated time to listen and engage with stakeholders including shareholders, regulators, advisers, clients, and customers. This feedback has been invaluable as it allowed me to assess what we were doing well, where we needed to improve, and our opportunities for growth.

Insignia Financial has made several notable acquisitions in recent years, which have given us the size to compete in the wealth industry. However, with efforts focused on separation and integration, we have not yet fully realised the scale benefits for our customers and shareholders.

Today, we are Australia's largest diversified wealth management business. We have a powerful combination of capabilities, and they enable us to serve a broad and diverse range of customers. Our contemporary proprietary Wrap technology delivers leading-edge solutions for financial advisers and their clients. The Shadforth and Bridges advisory businesses set the benchmark for high-quality advice to their clients, and our strong multi-asset investment capabilities generate competitive returns for our super fund members and advised clients.

We have size, but have been restrained by complexity and inefficiencies, and we are yet to realise the benefits of economies of scale or our growth potential, which is critical for our long-term sustainability. Being an efficient business will reduce our cost to serve enabling us to be competitive and create sustainable value for you, our shareholders. That's why simplifying and optimising our business remains as a top priority – we are committed to executing the FY24-26 strategic initiatives that we announced in July last year, before embarking on our FY26-30 strategy.

Before I talk about that strategy, it's worth sharing some perspective on the operating context for this business. The superannuation industry is structurally positioned for long-term and sustained growth. Our retirement system - as I prefer to call it – is the envy of the world. It will provide a comfortable retirement for millions of Australians, and it solves significant challenges for governments in supporting our ageing population.

This strength rightly comes with high expectations from customers and regulators. Insignia Financial is well positioned to meet these expectations. And we are uniquely positioned to compete in this structurally strong industry that has many years of growth runway ahead.

In this context, our 2030 vision is for Insignia Financial to be Australia's leading and most efficient wealth management company by 2030. We will use the breadth of our businesses to deliver innovative and quality outcomes for clients, driving double digit earnings growth for shareholders.

Our strategy is underpinned by a set of core beliefs that I'd like to share with you today.

1. That trust is foundational. We are in the business of making and delivering on promises. It's that simple.
2. Advice is valuable. There is an unmet need in the Australian community for quality financial advice, and it can make a difference to people's lives.
3. Customer obsession supports innovation. By focusing on our customers, by seeking to understand them and meet their expectations, we will drive ourselves to innovate.
4. AI is transformative. Talk of AI is in every industry, but in wealth management the benefits are meaningful and scalable. We are already on this journey having implemented AI and robotics since 2020.
5. Scale is required to compete. In our industry, scale is a meaningful competitive advantage. Our strategy is aimed at turning our size into scale.
6. Shareholder and customer objectives are aligned. This is one of the great privileges of leading this business. When we get things right for customers, we will be delivering for shareholders. We do not need to contemplate trade-offs in that regard.
7. Group collaboration creates value. This is already evident in our business and our refreshed executive team is set up to drive more results in this area. Therefore, the value of each of these businesses should be greater together than apart.
8. A high-performance culture is essential. I'll simply say that I know this from my previous experience in executive roles, and it is a priority for us going forward.

We have some of the strongest brands within the wealth industry and we will look to unlock their potential as we move from operating nine brands to three. There is strength and reputation in the MLC brand, which will be our primary consumer brand moving forward and we will progressively retire our other consumer brands. Our simplified brand offering will reposition MLC in the market, turning latent awareness into active consideration, as well as supporting the Shadforth and Bridges advice brands.

There has never been a better time to be in advice, and we intend to increase adviser efficiency to help them meet the advice needs of more Australians. We plan to grow our superannuation business by improving our cost competitiveness, and developing and marketing a new digital direct channel, to encourage more Australians to choose MLC for their superannuation needs.

As the superannuation system becomes more focussed on income in retirement, we will launch innovative solutions into our Wrap and Superannuation offerings. By extending the use of our asset management capability, we'll create investment portfolios for a broader range of solutions and platforms.

We will expand our AI capability – becoming an AI-enabled organisation delivering positive outcomes for our people, customers, and shareholders.

All of this will be underpinned and enabled by developing our talented people and operational structure to demonstrate the attributes of a high-performance culture.

Culture is of paramount importance: a strong culture is what enables execution of strategy and operational performance. It is essential that we build a high-performance culture, focussing on and rewarding the teams that are performing and adding value.

Earlier this year we announced a new operating model and refreshed executive leadership team, most of whom are present today. Our business is now organised into four dedicated lines focused on specific customer segments and competitive landscapes – Advice, Master Trust (Pooled Super Funds), Wrap Platform, and Asset Management. These business lines are supported by specialist enablement and governance functions, to ensure that each is equipped with the necessary resources, expertise, and strategic oversight to achieve their objectives and maintain robust operational standards. The changes to our operating model provide enhanced efficiency and allow for tailored strategies that drive profitable growth and enhance customer satisfaction. Each executive has end-to-end accountability and is empowered to compete effectively in their respective market, while driving performance and strong risk management across the business.

These decisive changes address the feedback I received in the first few months of my time here, and will ultimately allow us to simplify and streamline our operating model to ensure we are better aligned to deliver long term sustainable growth. I strongly believe we have the opportunity to be an industry leader, and these changes will support meaningful and sustainable improvement in operational efficiency and earnings growth, enhance economies of scale, enable our businesses to be more competitive and support mature risk management and governance.

In October, the majority of our employees voted in favour of Insignia Financial's 2024 Enterprise Agreement. The new Enterprise Agreement is a significant milestone in our organisation's integration journey – bringing six instruments into one for the first time in our organisation's history, creating a unified workforce as we embark on building a high performance culture.

Without our talented and passionate people, we would not have been able to achieve all that we have in this last year, and I am deeply grateful to our entire team for their hard work and commitment. With recent changes to the executive team, Mark Oliver and Chris Weldon have left the company, and Frank Lombardo will be leaving early 2025. I would like to acknowledge and thank them for their outstanding contributions to our business for more than a decade.

In closing, I appreciate the responsibility that comes with leading Insignia Financial. I am optimistic about the future of this company, and confident that we are well-positioned to deliver exceptional outcomes for our stakeholders, particularly our customers and you as shareholders.

I would like to extend my sincere thanks to the Executive team and the Board for their continued guidance and support.

Thank you.

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