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25 November 2021

2021 Annual General Meeting

Attached are the Chairman and Chief Executive Officer addresses to shareholders to be presented today at the IOOF 2021 Annual General Meeting (AGM).

The AGM will be held virtually at 9:30am AEDT and can be accessed at the following link https://web.lumiagm.com/370300136.

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 Company Secretary of IOOF Holdings Ltd.

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About IOOF Holdings Ltd

IOOF 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.

IOOF 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 IOOF can be found at www.ioof.com.au

Chairman's Address to the AGM – 25 November 2021

Good morning ladies and gentlemen. Welcome to the 2021 Annual General Meeting of shareholders.

With participants from all over the country here today, I would like to start by acknowledging the traditional custodians of the lands on which we meet. Where I stand, I acknowledge the Wurundjeri People of the Kulin Nation, and pay my respects to Elders past, present and emerging.

Last year, I described the 2020 financial year as one of volatility, change and disruption. Even so, who could have foreseen the effects of the COVID-19 pandemic would continue to impact our lives so profoundly in 2021?

The persistent effects of the pandemic underscored that 2021 would require a new type of resilience. A resilience that would draw on a dogged stubbornness to overcome adversity. A resilience we have come to know as the Australian way.

Thankfully, the prospects for the world economy have brightened. In May this year, the Reserve Bank of Australia noted the Australian economy is transitioning from recovery to expansion phase earlier and with more momentum than anticipated.[1]

We can start to look forward to shaping the future rather than surviving through the present. The question is, what does the future look like?

One way of seeing into the future is to refer to the Federal government's Intergenerational Report. Released in June this year, the Report gives a glimpse into how Treasury thinks the country and the economy will look in four decades' time, and how particular policies will shape or change the outlook.

The report paints a picture of a country dealing with smaller-than-expected population growth, and a large and ageing population that will continue to put greater stress on welfare and health services.

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[1] Minutes of the Monetary Policy Meeting of the Reserve Bank Board (04 May 2021) https://www.rba.gov.au/monetary-policy/rba-board-minutes/2021/2021-05- RBA, Statement on Monetary Policy – May 2021

The long-term economic impact of the pandemic is also outlined in the Report – and it's sobering.

It forecasts the budget will remain in deficit for at least another 40 years, improving to 0.7 per cent in 2036-37 and then widening to 2.3 per cent by 2060-61 as the effects of ageing take hold.

That said, for every mega-trend, there is a counter trend. The Report quietly signals a shift in financial power to the Millennial generation. These people born between 1980 – 1995 will be the recipients of a $3.5 trillion wealth transfer from the 'Baby Boomers'. By 2030, Millennials are expected to earn two out of every three dollars in Australia.

Financial wellbeing

Today, consumers are seizing on record low interest rates to take out a mortgage, invest in shares, start a business, or reconfigure work arrangements to support their goals and adapting to changed work patterns, digitisation and higher earning potential.

More than ever, this brings into focus the relevance of IOOF's strategy and value proposition - the importance of financial wellbeing.

According to an Australian Stock Exchange's Investor Study[2] undertaken in 2020, consumers last year saved $200 billion, and 2.5 million consumers began investing for the first time. Interestingly, a quarter of new investors were aged between 18 and 24.

Millennials will need the skills and support to understand and look after more wealth and more risk, as they inherit statistically greater sums than any other previous generation.

Informed financial decisions can be the difference in reaping those benefits or wearing the risks after it is too late. We need to consider – for a generation inheriting statistically higher levels of wealth than their parents - but who have arguably a harder job at making it themselves - access to information neither equates to being informed, nor being advised.

For example, only 35 per cent of Australians aged 25-34 consider themselves 'well informed' when it comes to their superannuation. Two in three reportedly cannot name the age at which they will be able to access their superannuation savings.[3]

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[2] Australian Stock Exchange's Investor Study, 2020. Retrieved at: file:///C:/Users/sxh071/Downloads/ASX-Australian-Investor-Study-2020.pdf

[3] Centre for International Finance and Regulation (CIFR) (2021) University of NSW, Sydney.

Importance of financial advice

Our own research backs this up. 'The True Value of Advice' Report we published in 2020 identified 90% of advised clients feel that accessing financial advice has left them in a better position financially and 89% reported that receiving advice allowed them to live their desired lifestyle – even in a COVID-19 context.

Asked how helpful their financial adviser has been in managing the impact of COVID-19, 84% of advised investors say they have been 'extremely' or 'very' helpful.

Further, advised clients say it provides them with improved mental health, less worry and stress and better relationships with family and friends. And this is the ultimate test of financial wellbeing.

Financial advice is, for the most part, facilitating this change. However, what this means is Australians with limited financial means still have considerable unmet advice needs. We have a current – and growing – 'advice gap'. This poses at least six challenges and impacts for Australia's financial advice sector.

These include,

1. First: A surging demand for scaled and single-issue advice.
2. Second: Compliance. Compliance is now a core function of advice businesses and a key driver of trust but also cost.
3. Third: A reducing number of financial advisers capable of providing financial advice on a per capita basis
4. Fourth: Rising barriers to entry to the profession with new entrants and existing advisers required to complete a Financial Adviser Standards and Ethics Authority (or 'FASEA') approved bachelor's degree to meet standards
5. Fifth: A reduced social license and trust in the profession, and finally,
6. Sixth: And probably the most worrying, is the rising risk of unlicensed advice and the emergence of '*finfluencers*'[4].

I have said it before, we have a once in a generation opportunity to create *the* leading advice-led financial services organisation delivering affordable and accessible financial advice to all Australians.

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[4] Australian Financial Review. Source: Investing 'under the influence' (afr.com) (8 Jan 2021)

And we are seizing that opportunity. Five months on from the completion of the acquisition of MLC we have tackled the simplification agenda with urgent, though measured, planning and implementation. As with all major transformations, there have been forks in the road.

These forks have typically represented opportunities to assess options which advance us safely towards our desired future state quicker, smarter, and cheaper in the long run.

ESG

One of these forks is our response to the increasing prominence of environmental, social and governance (ESG) issues.

ESG builds on the ideas put forward by the socially responsible investment movement, but applies financial, rather than moral, relevance to the model.

The increasing adoption of ESG management systems is driven by two concurrent trends.

First, significant social pressures, a shift in expectations for private enterprise, and ongoing regulatory changes have increased demand for us to proactively take responsibility for potential externalities affecting the environment and society.

Second, there is a growing recognition amongst investment and business professionals that ESG issues can have a material impact on company value and that the management of such risks can preserve (and even enhance) economic value for companies and their shareholders.

Why? Because a business that is reducing or neutralising its carbon footprint, diversifying its supply chain, and applying strong data governance is a safer investment than one that is not.

The evidence of this momentum lies in the significant tilt towards sustainable investing.

Bloomberg Intelligence estimates ESG assets are likely to reach $53 trillion by 2025, a third of global assets-under-management.[5] Globally, the percentage of both retail and institutional

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[5] Bloomberg Intelligence at https://www.bloomberg.com/company/press/esg-assets-rising-to-50-trillion-will-reshape-140-5-trillion-of-global-aum-by-2025-finds-bloomberg-intelligence/

investors that apply ESG principles to at least a quarter of their portfolios jumped from 48 percent in 2017 to 75 percent in 2020.[6]

To that end, the Board and I are committed to deeply understanding and acting appropriately to address climate change risk in the business.

We are guided by the Paris Agreement, the recommendations of the Task Force on Climate-related Financial Disclosures, and the Hutley opinion on the responsibility of company directors in Australia. Not to mention the regulatory and prudential guides on the management of climate change risk as issued by APRA and ASIC.
Whilst climate change receives the lion's share of attention, it's important not to overlook the 'S' in ESG. And we're playing our part.

IOOF Foundation
In 2021, the IOOF Foundation continued to support outstanding charitable organisations and invest in our communities. More than $700,000 in grants were awarded in the areas of mental health, aged care, families and at-risk children and youth. This brought the total funds distributed since inception to more than $16 million. I extend our gratitude to the Trustee Directors for their ongoing commitment, led by the Chair, Ms Angie Dickschen.

In closing, against a backdrop of a challenging socio-economic operating environment, I am enormously proud of the way the business is steadfastly pursuing its transformation agenda.

Despite the challenges, we hold to our strategy with great conviction. We believe in the business and are confident we will deliver to you – our shareholders – considerable value over time.

I'd like to thank the Board for their guidance and oversight, Renato and the Executive team and importantly, the thousands of dedicated staff who have worked tirelessly towards realizing our ambitions.

I'll hand over to Renato to update you on how we're doing just that.

Thank you.

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6 Deloitte Insights at: https://www2.deloitte.com/us/en/insights/industry/financial-services/esg-investing-performance.html

CEO's Address to the AGM – 25 November 2021

Thank you, Allan.

I'd like to extend a very warm welcome to you all and thank you attending our 2021 Annual General Meeting.

I trust that after a challenging year we are all enjoying the easing of restrictions, allowing us to reconnect within our communities.

Allan spoke to the external environment we face: a changing Australian landscape that sees an increasing number of people in need of financial advice, coaching and guidance to help them navigate their financial future. In other words, the need and desire by Australians to seek assistance in the pursuit of financial wellbeing has never been greater.

This knowledge is our source of conviction and connection to our purpose. We believe we have a substantial opportunity to improve the financial wellbeing of all Australians, whatever their circumstance.

We are focused on growing a profitable, sustainable business that delivers accessible and affordable outcomes to cater for all client life-stages.

Since we last met, much has been achieved. In fact, everything we have successfully delivered this past year is strategically aligned to these objectives.

Financial results

Our financial performance in the 2021 financial year has been strong with underlying net profit after tax (UNPAT) of $147.8 million from continuing operations, up 19% on the prior year. After taking into account a non-cash goodwill write-down and MLC integration costs, we reported a statutory net loss after tax of $143.5 million.

Revenues of $770m were up 31% including the full 12-month contribution from the Pensions & Investments business (P&I) acquired from ANZ, and only one month of MLC.

This increase in revenue and UNPAT is evidence of our commitment to growth through transformation and acquisition.

We were also pleased to be able to deliver total full year dividends of 23 cents per share; made up of 17.5 cents ordinary dividends and 5.5 cents per share special dividends.

Our balance sheet remains strong and we're confident it can continue to support ongoing and sustainable re-investment.

The last 12 months have been a transformational period with the successful completion of the MLC acquisition on 31 May. The purchase of MLC provides more than just scale. It also provides diversity, opportunity, and new avenues for growth. This represents a once in a generation opportunity to do things differently, for the benefit of our clients and ultimately you, the owners of the business.

Sustainable advice model

It was pleasing as part of the acquisition, to welcome more than 400 advisers to our licensed advice business as part of cementing ourselves as a leading advice community, for both advisers and the clients they serve.

As we have shared with the market the self-employed adviser channel, excluding the MLC additions, is transitioning to a sustainable model, and is expected to be on a break-even run rate by the end of this current financial year.

The integration of MLC Advice has focused on introducing IOOF technology, including Wealth Central, with a positive early response. Our new, sustainable self-employed licensee model will also translate to additional economic benefits from MLC advice over the next few years.

Ensuring the advice model is affordable, accessible, and sustainable in its own right remains a key deliverable. This ambition is built on principles of economic sustainability, high professional standards, and delivering client satisfaction.

Simplification

Moving now to our platform business, the strategic context is one of net operating margin expansion through simplification.

One of the reasons we focus on net operating margin is we recognise gross margin is likely to fluctuate as we expect to continue to deliver improved outcomes to clients by way of lower fees as we go through stages of simplification. Putting clients at the centre of our business represents a key source of future growth.

We have already achieved scale on our modern and proprietary technology platform - Evolve, providing us a solid base to support our continued growth through simplification and increased marketshare of netflow.

The other important element to consider from a platform perspective is the funds flow profile. It’s a tale of two.

While our contemporary Evolve offer continues to increase it rate of growth, clearly, we have a challenge and an opportunity both around the Pensions & Investments business, as well as MLC.

With P&I, my expectation is a breakeven netflow profile by second-half 2023 financial year.

While netfunds flow represents a key barometer of future sustainability, it remains imperative that we build future growth on a simpler business model with lower cost to serve.

Reducing cost to serve will be achieved through the rationalisation of platforms and the elimination of inefficiencies that arise from double-handling, manual processes, and the phasing out of dated systems.

Implicit in our evaluation of recent acquisitions is an acknowledgement the acquired businesses have suffered from a lack of commitment to transformation and it is here that IOOF can both add and derive value.

We have a proven blueprint for platform simplification, as shown by our EVOLVE21 program, the second and final phase of which is expected to complete next month.

Simplification is an imperative not just for us – but the industry at large. Over the last decade, I believe the industry has not done enough to drive simplification for the benefit of clients.

For IOOF, this is a key focus. Why? Because the pursuit of simplification is about building solid foundations that maximise the translation of future growth into earnings.

It's from this base of:
- leading cost to serve;
- proprietary technology capabilities;
- a purpose-led and agile organisational culture; and
- depth and breadth of investment capability

that I am confident we can deliver greater market relevance and netflows across our diverse businesses.

Integration update

Allan mentioned in his address the notion of 'forks in the road' – requiring agility to seize on opportunities as they arise.

This has certainly been evidenced in our integration planning as we look to accelerate product and platform simplification.

As we indicated to the market in October, the possible change in our approach may deliver additional synergies and come with additional implementation costs. We will keep you informed as we work through our analysis.

That said, our projected goal of achieving cost efficiencies of $218 million per annum by the end of 2024 financial year remains on track.

While the transformation we're undertaking is incredibly significant in today's context, these changes are only a small fraction of the change IOOF has gone through over the last 175 years.

From our origins as part of the Independent Order of Odd Fellows, a friendly society caring for people in need, to a top 200 ASX-listed company, we have grown to become one of Australia's leading wealth service providers.

New corporate brand

To better reflect the organisation we are today, and our focus on creating financial wellbeing for all Australians – we put forward to shareholders a proposal to approve the renaming of IOOF Holdings to 'Insignia Financial'.

The name Insignia represents a 'distinguishing emblem' which is associated with membership and belonging. It strongly connects with our purpose: *understand me, look after me, secure my future.*

This decision comes at an important inflection point in our organisation's transformation. We're proud of our heritage, who we are and what we stand for. Of course, this doesn't change.

However, today, we can build on the past, through a new corporate brand that captures the essence of our history in a more contemporary way.

Subject to your approval, Insignia Financial will be our new enterprise brand and the 'umbrella brand' for our portfolio of client-facing brands.

Importantly, it will be our brand for employees, uniting our people from across three heritage businesses, with a common purpose and ambition. It's also the brand that will apply to you, our shareholders as well as regulators, government, and other key corporate stakeholder groups.

For our people, Insignia symbolises inclusion. No matter what their background is, or where they have joined us from, together under Insignia we will be one. An organisation where everyone feels they can belong.

Once approved, we will begin to rebrand our corporate identity to Insignia Financial. This won't happen overnight however, we will take a phased approach.

As part of our brand strategy work, we are performing a review of all brands in our suite, with a focus on understanding how we can best meet the needs of our clients and support future growth.

The MLC brand is an important asset which will continue to play a key role as a client-facing brand.

IOOF has a long history of supporting Australians and their financial wellbeing and we look forward to continuing to do so under the banner of Insignia Financial.

Thank you

In closing, I want to acknowledge and thank the more than 5,000 people who have committed themselves to the IOOF journey. It has been an incredibly disruptive time in our communities, and I am humbled by their commitment and passion for the transformation of IOOF. To you, our shareholders – thank you for your ongoing support in what has been both a challenging and successful year.

I know we have the right strategy, people, governance, and operational structures to continue to deliver financially for years to come.

Thank you.