

Steadfast Group Limited (ASX:SDF)

Investor Day

24 June 2024 – Sydney
25 June 2024 – Melbourne



Acknowledgement of Country

We acknowledge the Traditional Owners of the lands on which we meet today, and pay our respects to Elders past and present.





Agenda



9:00 AM

Introduction

Robert Kelly



9:05 AM

International Update

Samantha Hollman



9:45 AM

International Q&A

Samantha Hollman, Nick McKee, Eimear McKeever



9:55 AM

Operating Update

Nigel Fitzgerald



10:20 AM

Q&A



10:30 AM

Morning Tea



10:45 AM

Sure Insurance

Bradley Health



11:05 AM

Steadfast Network and SUA

Nick Cook



11:25 AM

iQumulate

Wayne Tower



11:35 AM

Goldseal

Helen Tebelopoulos



11:45 AM

Mergers & Acquisitions

Stephen Humphrys



11:55 AM

Close

Robert Kelly



12:00 PM

Q&A



12:20 PM

Lunch

01

Robert Kelly AM

Managing Director & CEO

02

Samantha Hollman

Chief Executive Officer - International

International Expansion Strategy

International team

Steadfast's international executive team has been formalised:

- former Steadfast Group COO Samantha Hollman transitioned to CEO International,
- appointment of Nick McKee as COO International; and
- promotion of Eimear McKeever to CFO International



Samantha Hollman
CEO International



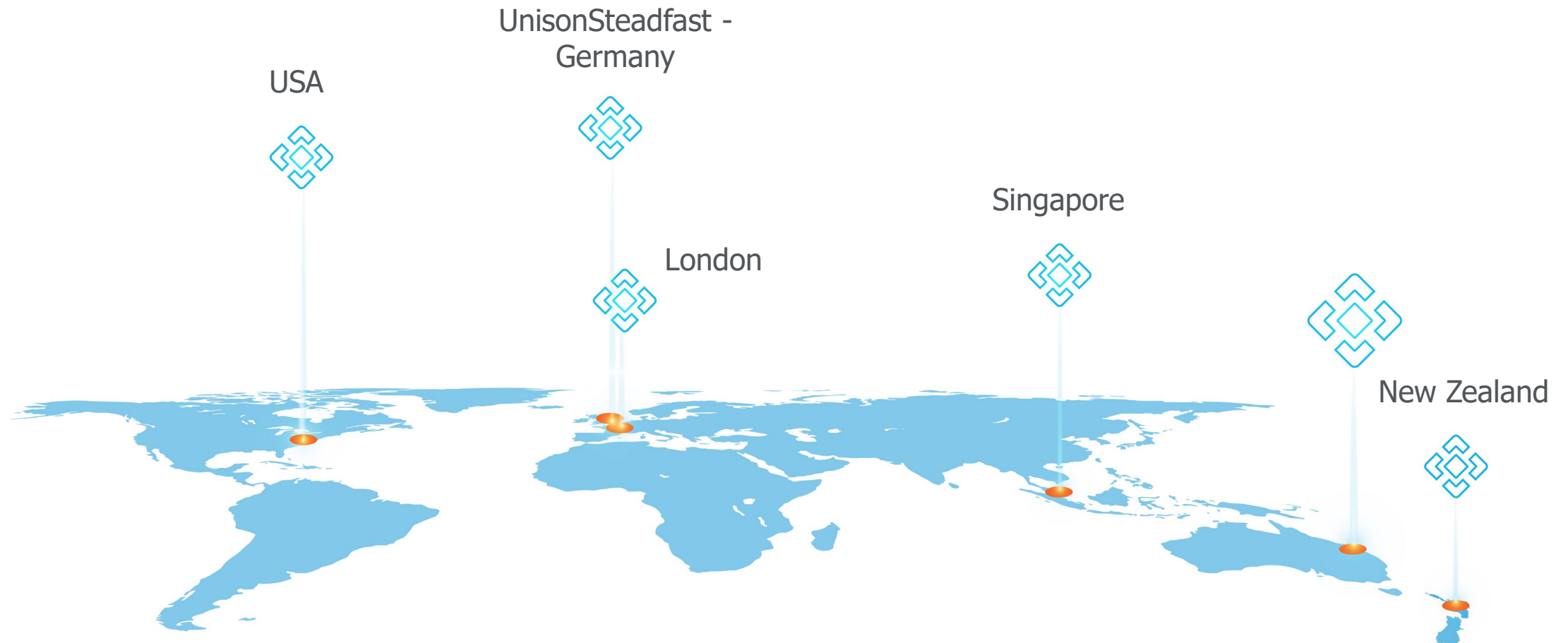
Nick McKee
COO International



Eimear McKeever
CFO International

International Footprint

Responsibility for:



Steadfast Placements

London and Australia

- Steadfast Placements is an experienced team of wholesale placement brokers, part of the Steadfast Group
- Team located in Australia and London
- Specialise in placing large limit, high value and complex risks, within the UK insurance markets
- Steadfast Placements London can access Lloyd's and London company markets on behalf of Steadfast Network brokers:
 - Licensed Lloyd's of London Broker
 - Trading agreements with 70+ different market insurers



London

Office to serve demand for Lloyd's products

- Risks suited to Lloyd's market
- London 'super' binder

UnisonSteadfast

Global network headquartered in Germany

Steadfast Group has an equity ownership stake of **60%** in UnisonSteadfast

- One of the world's largest global general insurance broker networks, offering multi-jurisdictional coverage
- Supervisory board contains three Steadfast Group representatives



700+
Referrals between Steadfast
Network brokers and
UnisonSteadfast

UnisonSteadfast global network



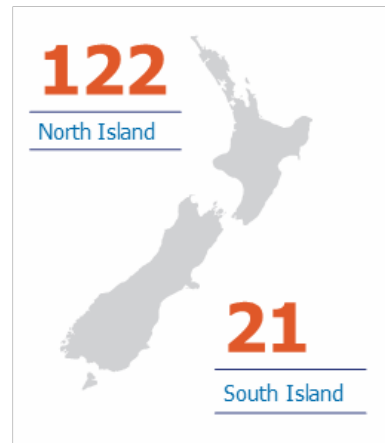
Broker Networks

New Zealand

66 brokers in the Network

approx. NZ\$**800m of GWP** in CY23

- **Steadfast Underwriting Agencies building market presence**
 - 4 operational
- **Strong buy-in from insurer partners**
 - 19 insurer/underwriting agency partners + 2 premium funders
 - pay professional service fees
 - 7 insurer partners use Steadfast agreed wordings
- **SCTP introduced**
 - 5 partners supporting Business Pack
- **Strong adoption of INSIGHT**
 - 57 brokers using the platform
- **Trapped Capital**
 - 6 equity investments in Network brokers by Steadfast Group



Broker offices footprint



Future focus

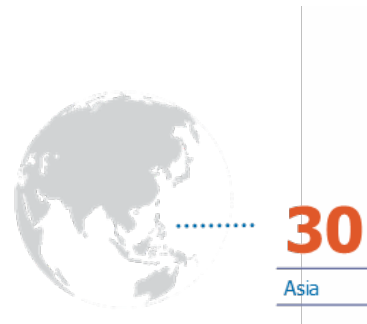
- Grow Network, partners & products
- Develop new capacity/markets – including Steadfast Underwriting Agencies
- SCTP expansion – future development will be a key driver of success
- Trapped Capital – support succession planning and business needs within Network brokerages through Steadfast equity interest
- Compliance – support the members Conduct of Financial Institutions (COFI) requirements being implemented in March 2025

Broker Networks

Singapore

Asia

- Targeted Singapore initially
- **30 brokers** in the Network
- Strong buy-in from insurer partners
 - 9 insurer partners
 - pay Professional Service fees
 - use Steadfast agreed wordings
- **Steadfast Underwriting Agencies**
 - 1 operational
- **Trapped Capital**
 - 2 equity investments in Network brokers by Steadfast Group



Broker offices footprint



Future focus

- Grow Network, partners & products
- Expand Employee Benefits Steadfast offering
- Trapped Capital
- Grow Compliance services offering to members

Broker Networks

United States of America

In October 2023, Steadfast acquired 100% of an agency network, ISU Group in the United States of America

ISU Group

- Established in 1979 (ISU Insurance Agency), ISU Network established in 2000
- One of the largest and most reputable insurance agency networks in the US
- Network of independent agents

Culture

- Philosophy is to help independent agents thrive
- Independence, Strength, United
- Quality Management team continued post-acquisition

Average Member

- Annual Revenue - US\$3m
- Book - 75% Commercial, 25% Personal
- Deal - Small commercial and personal market
(categorised as client's business under US\$25m in sales {revenue})



ISU Snapshot:

- **43** employees
- **233** members
- Located across **43+** states
- Licenced in all **50** states
- **US\$6b** in premiums generated by members
 - of which **US\$4.8b** is P&C premium
- **75** insurance carrier contracts

Market Opportunity

United States of America

Expansion into the US market will present us with opportunity to deliver our strategy and unique business model to a significantly larger market.

While this is an exciting opportunity, the complexity of the market dynamics requires a measured evaluation period.



1. Market Dynamics that support the opportunity in the US

- US insurance broker and agency market size is approx. US\$213b vs US\$24b in Australia
- 40,000 independent property/casualty agents and brokers in US
- 50% of agencies use wholesale brokers or MGAs for Commercial Lines



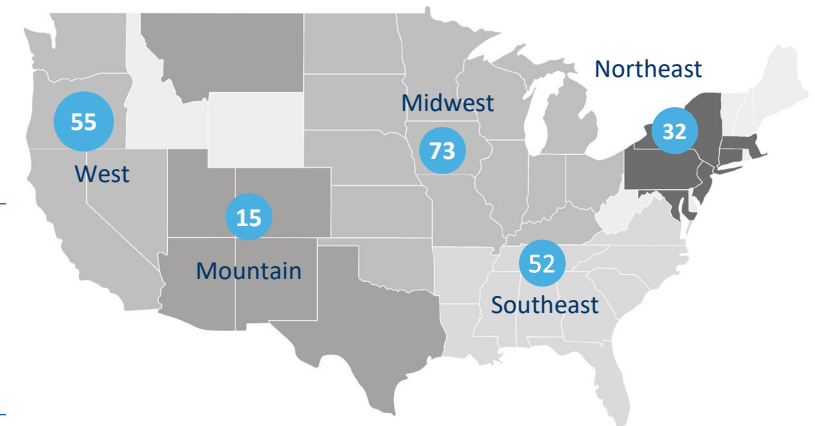
2. Pricing Growth

Rising loss costs and insured values from social and economic inflation and severe and frequent weather events should continue to support stable pricing.



3. Technology and Operational efficiency improvement

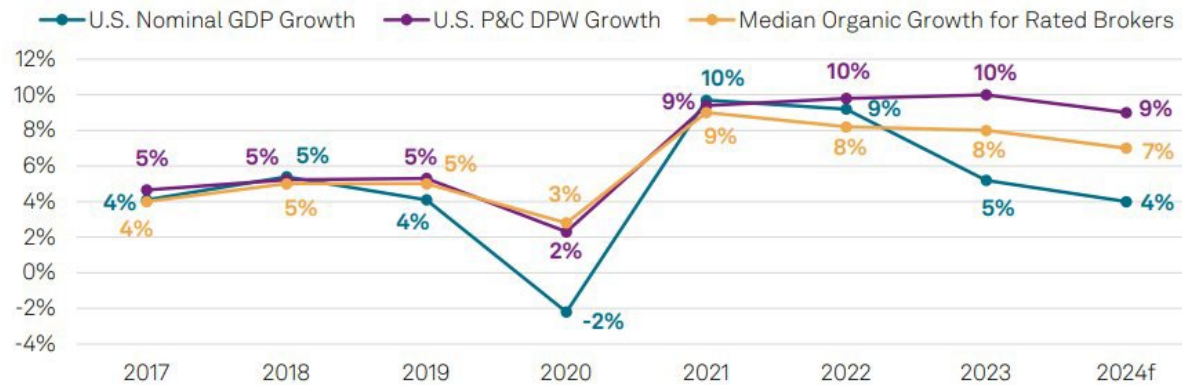
Early indication and research confirms individual agency business processes are manual and inefficient.



Market Opportunity

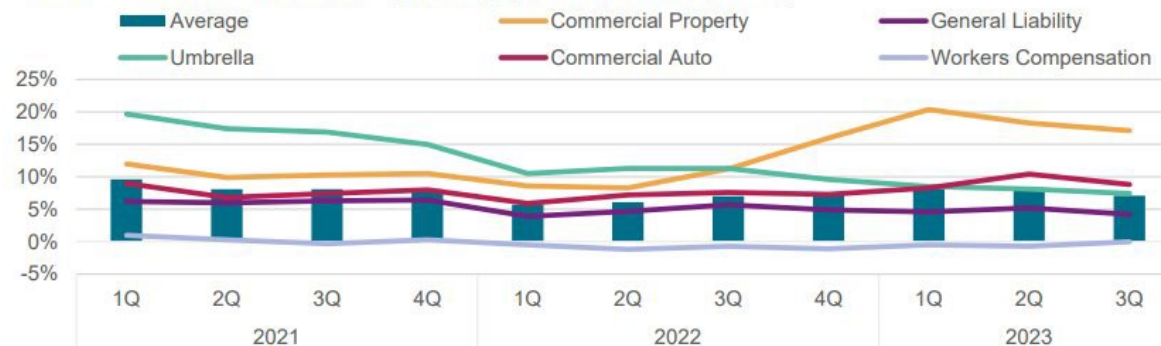
United States of America

Growth in broker organic revenue relative to U.S. P/C DPW and U.S. nominal GDP



Source: S&P Report
Insurance Brokers And
Servicers Sector View 2024

U.S. P/C commercial lines pricing (standard business)



Market Opportunity

United States of America

M&A Opportunity in the US – U.S. insurance agencies completed over 700 deals in 2023

Highly fragmented

Despite robust M&A activity in the space for well over the last decade, there are still thousands of independent insurance agencies operating in the U.S. No player in the middle-market space has significant market share.

Private-equity-heavy with no other apparent significant acquisition model (such as owner operator)

Private equity presence has continued to intensify since entering the sector over 15 years ago, attracted to the sector's strong free cash flow.

U.S. insurance agency M&A activity



Deal activity remained high in 2023, although down from 2022 due to higher interest rates, economic uncertainty and continued valuation creep.

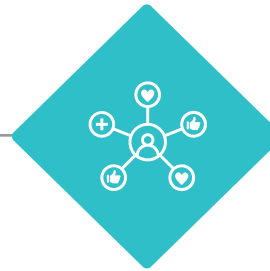
Vision and Strategic Priorities

ISU Group Network

Our vision is to be the network of choice for independent insurance agencies in the United States, delivering comprehensive services and solutions to support agency perpetuation, competitiveness and growth, while managing successful long-term strategic partnerships with carriers and other market participants.



Grow our
Membership



Expand our
Services and
Solutions



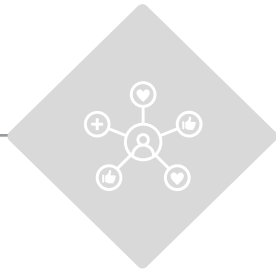
Evolve our
Organisation

Vision and Strategic Priorities

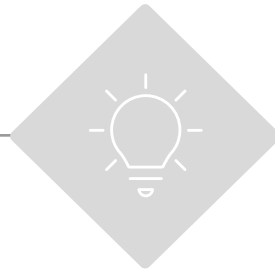
ISU Group Network



Grow our Membership



Expand our Services and Solutions



Evolve our Organisation

- › New Member Sales
- › Acquisitions and Partnerships
- › Enhance Member Retention

Quality over quantity

Retain integrity of agency vetting process and strong ISU reputation

Vision and Strategic Priorities

ISU Group Network



Grow our
Membership

**Expand our
Services and
Solutions**

Evolve our
Organisation

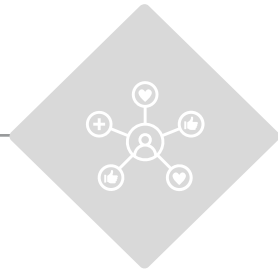
- › Carrier Relationships
- › Wholesale and London Placement
- › MGAs
- › Trapped Capital
- › Technology Solutions
- › Premium Financing
- › Preferred Arrangements
- › Health and Benefits
- › Other Business Solutions

Vision and Strategic Priorities

ISU Group Network



Grow our
Membership



Expand our
Services and
Solutions

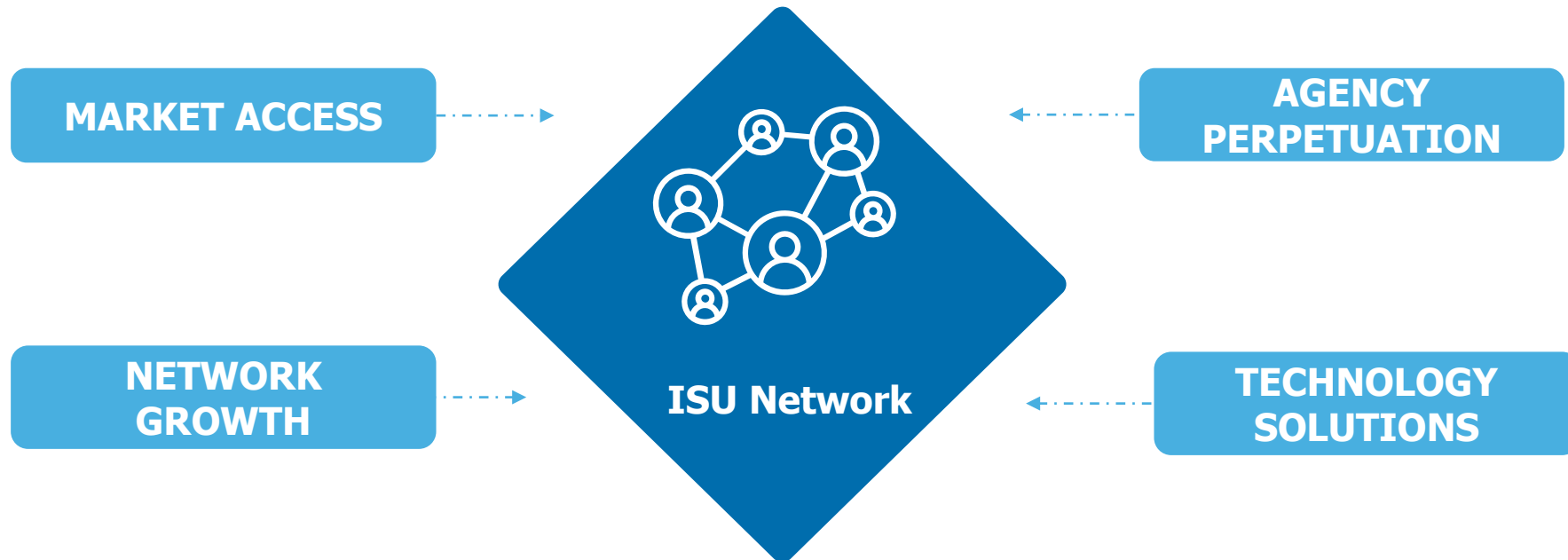


**Evolve our
Organisation**

- › Structure, Roles and Responsibilities
- › Talent Management
- › Marketing and Communications
- › Operational and Financial Management

Priority Focus Areas

ISU Group Network

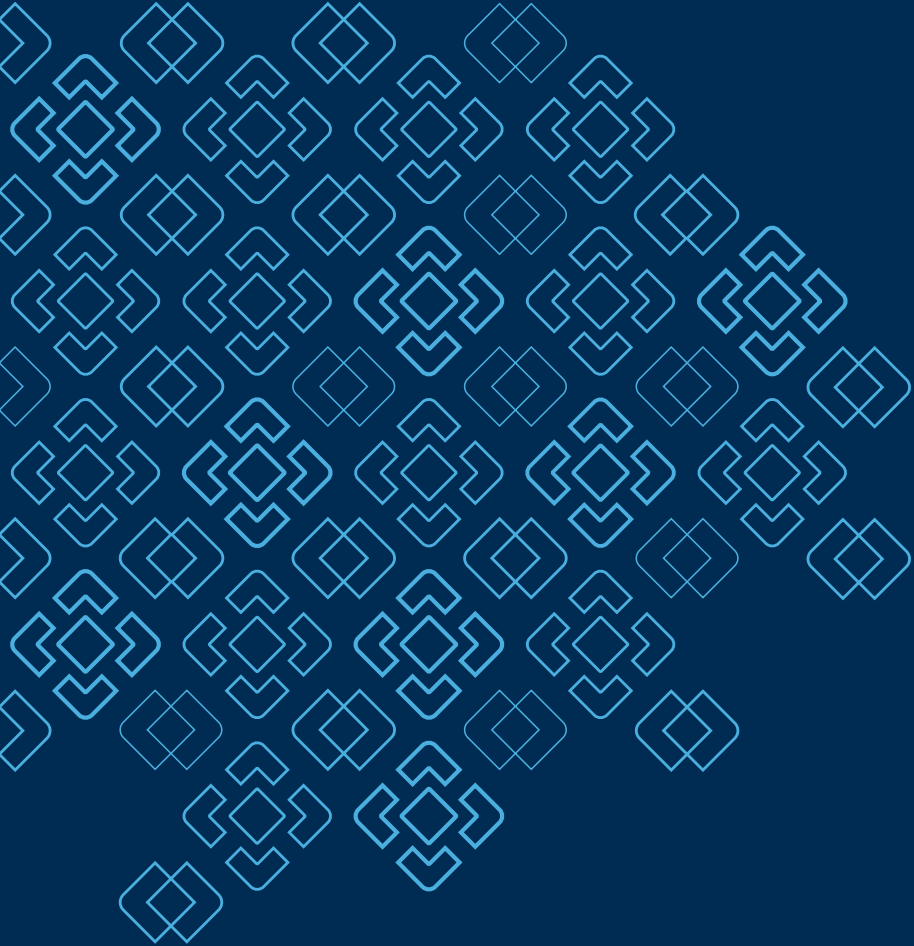


USA Summary

Potential future runway of opportunities for Steadfast to capitalise

1. Continue to evaluate USA/ISU opportunity.
2. Progressing well financially, operationally and strategically.
3. Positive support from members, carriers, and staff.
4. Potential is vast, approaching in a considered way.
5. Long term strategy for Steadfast.





International Q&A

03

Nigel Fitzgerald

Chief Operating Officer



Nigel Fitzgerald

Chief Operating Officer
Steadfast Group

Nigel Fitzgerald

Nigel Fitzgerald joined Steadfast Group in April 2023 as Chief Operating Officer of Steadfast Group.

Nigel has worked in the insurance industry for over 25 years with a proven track record in leading profitable and strategically dynamic businesses on a global basis, including fulfilling leadership roles while living in New York, London, Houston, Singapore and Sydney.

Prior to Steadfast, Nigel fulfilled CEO and Board Director roles for AIG and Fairfax Financial and Senior Executive roles for Liberty International Underwriters.

Industry dynamics



Ongoing validation of our core strategic focus - broking, MGA's and geographical expansion

1. The value of the broker continues to increase

- Insurance industry complexity for customers and insurers remains high
- Lack of trust of insurance industry

AU intermediated market share is growing versus the direct market, similar trends in our other markets

2. Continued growing relevance of the MGA

- Providing superior customer service via a clear value proposition
- Provides the insurer a distribution and/or operating advantage

Growth in market share of MGA's versus traditional Insurers

3. Insurer discipline expected to remain

- Data and Analytical sophistication improved
- Regulatory upgrades and shareholder return expectations

Continued discipline by Insurers in AU/NZ/USA

4. Expansion into the US market

- US insurance broker and agency market size is approx. US\$213b vs US\$24b in Australia
- Steadfast value proposition is welcomed by US broker/agents

Potential future runway of opportunities for Steadfast to capitalise

The value of the broker continues to increase by providing customer advocacy

Insurers have a lot of priorities to juggle which increases a brokers value:



Increased Prudential regulation and Shareholder ROC expectations



Conduct regulation / societal pressure to limit excessive profits



Increasing 'risk' complexity to maintain profit



Legacy technology and operational complexity



Product complexity for business insurance has not improved



The average BizPack policy is 120+ pages, which can take 3+ hrs to read

“**44% of consumers do not trust insurance companies** to act in their best interest”

Which? Consumer Insight Tracker 2023

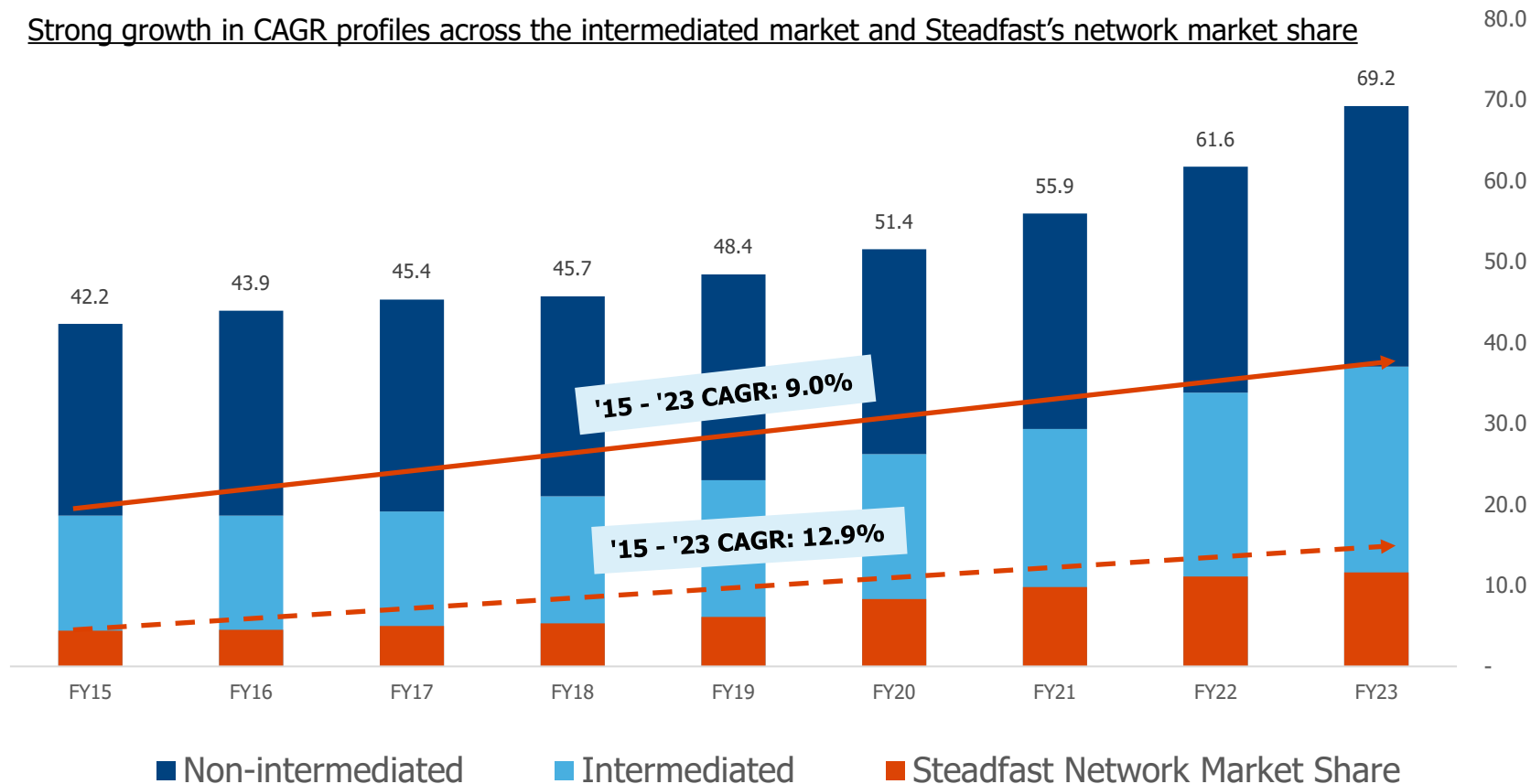
“**Non broker users have reduced** from 31% to 18% (2018 - 2024)”

Vero SME Insurance Index 2024

The value of the broker continues to increase and remains a good investment

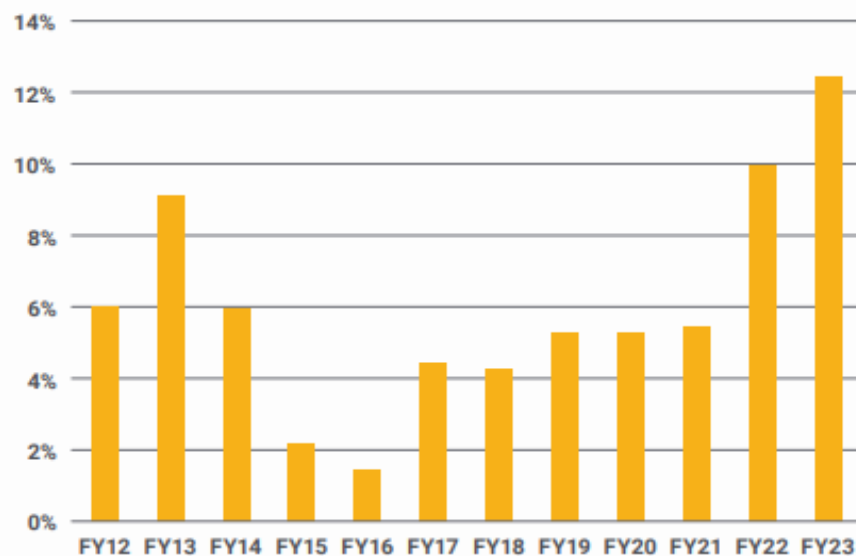
The Australian intermediated GI market has grown to \$37b GWP and 53% overall (versus 44% in FY15)

Strong growth in CAGR profiles across the intermediated market and Steadfast's network market share

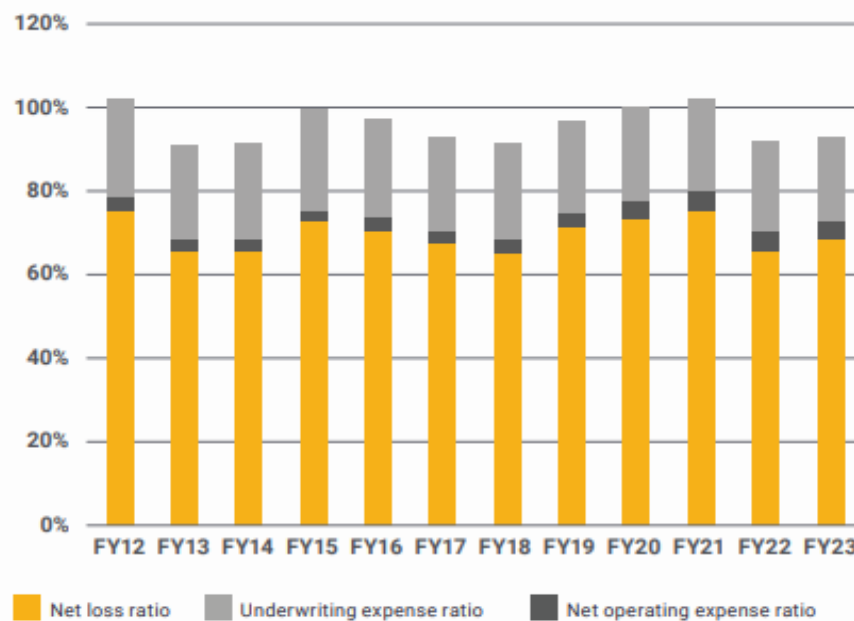


Insurer discipline expected to remain

Gross Earned Premium Growth



Net Loss Ratio and Combined Operating Ratio

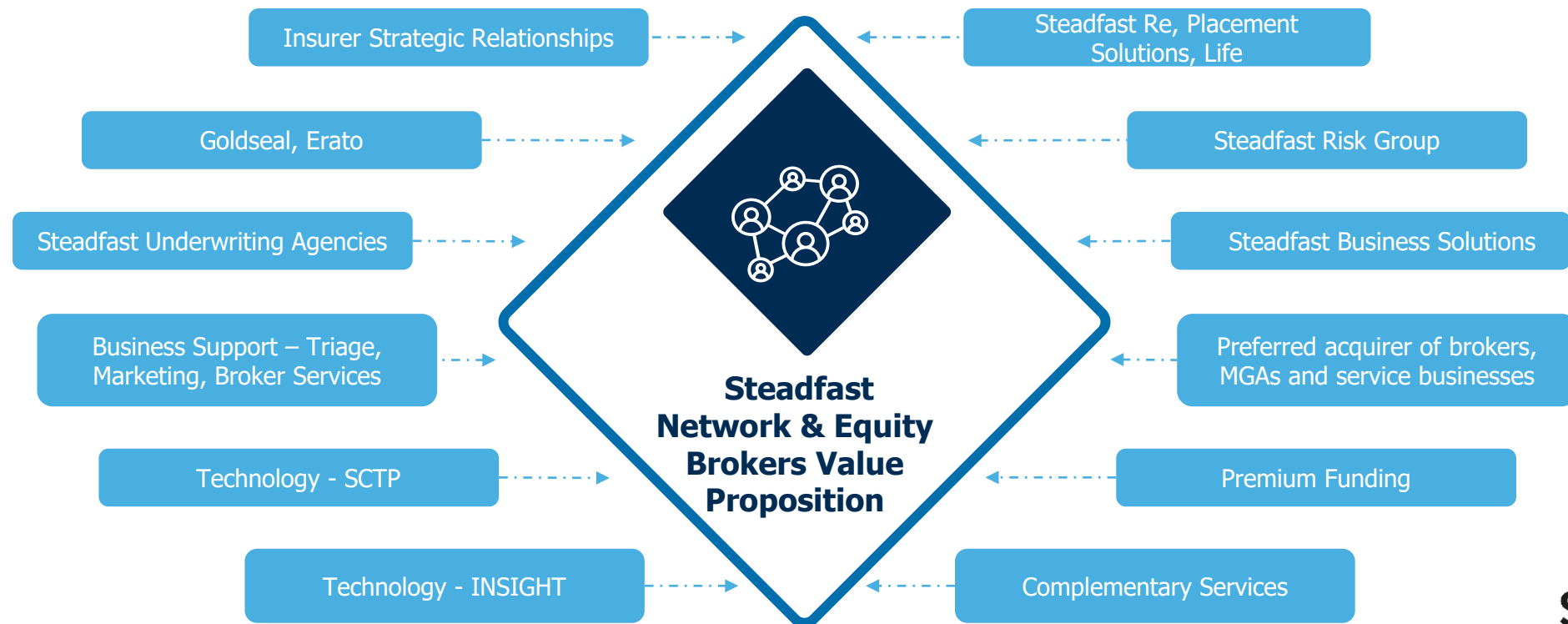


Loss ratios are still not adequate, and insurers will have to continue to increase rates

Our market leading value proposition provides strong organic and in-organic growth levers

Our long-term strategy of focusing on being the best broker network leads to –

- Client acquisition growth
- Provides a strong exit mechanism to unlock trapped capital
- Increases our partnership value to Insurers



Organic growth drivers

A strong focus on capabilities to support margin initiatives

As we continue to grow our unique owner operator decentralised model, we are introducing more capabilities to apply our rich insights and best practices across our Network



SUBSIDIARY PERFORMANCE & MARGIN OPTIMISATION

- Appointed | Head of Subsidiary Performance
- Established | Steadfast Subsidiary Council
- Proactively utilising our collective data to create actionable insights
- Sharing best practices and learnings across the cohort to cross-pollinate value
- Focused R&D shared services where it increases capability and/or margin improvement

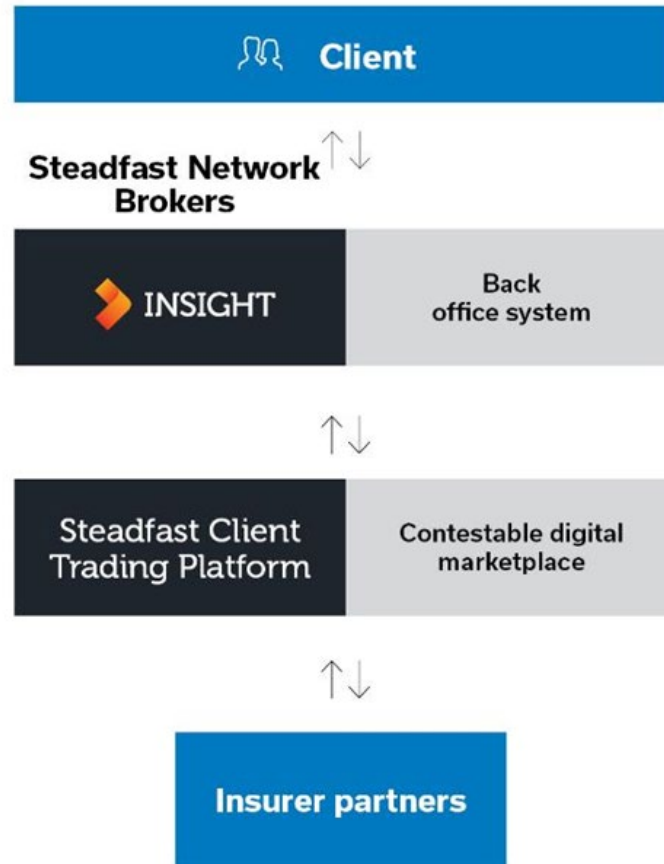


UPSKILLING OPERATIONAL LEADERSHIP

- Recruited | EGM of Operations
- Started | Head of Procurement
- Started | Head of Enterprise Project Management Office
- The role of AI to reduced administration and increase speed to competency
- Developing small agile SWAT teams that define best practice to be leveraged across the subsidiaries

Maintaining our technology competitive advantage

Our suite of technology offers core system advantage, enables a contestable marketplace, generating a market leading competitive advantage with over **7,000 users**.



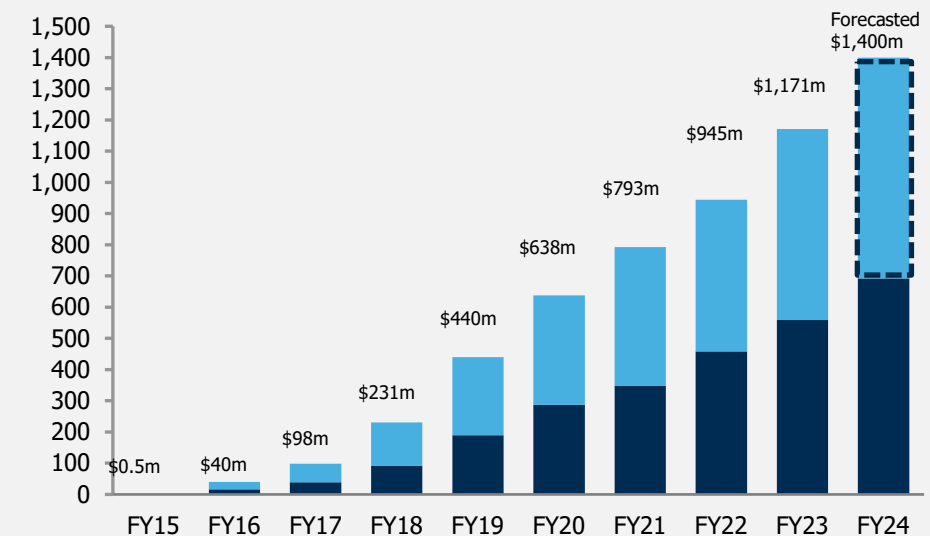
>\$1.4b and +24.7% growth

GWP transacted and yoy growth rolling 12 months to 19 June 2024

\$5.3b

SCTP total addressable market demonstrates long runway of opportunity

SCTP GWP Profile (FY2015-2024)



Aligning Executive oversight of our Australasian Network(s)

Future proofing and enhancing our value proposition across our Australasian Networks

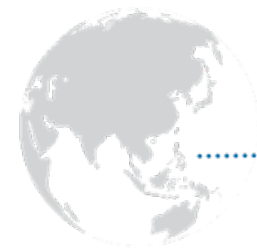


Nick Cook

Executive General Manager
Networks, Broker and Insurer
Services, Asia Pacific

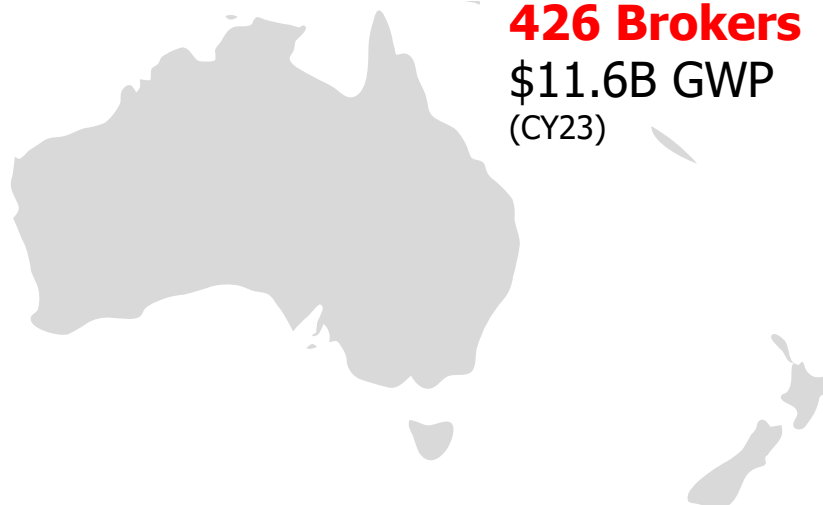
Steadfast Group

Joined Steadfast Jan 2015



Singapore
30 Brokers

>\$109m GWP (CY21)



Australia
426 Brokers

\$11.6B GWP
(CY23)

New Zealand
66 Brokers

NZ\$795m GWP (CY23)

Our Executive team welcomes 3 new members

Steadfast has attracted exceptional talent from diverse sectors across the Industry to drive the effective execution of our 3-year strategy



Mark Senkevics

Executive General Manager
Underwriting Agencies,
Reinsurance and Life

Steadfast Group



Meagan Jeffery

Executive General Manager
Technology & Information

Steadfast Group



Noelene Palmer

Executive General Manager
Operations

Steadfast Group

Maximise the strength of Steadfast: Steadfast Group Strategy 2024-2027

OUR VISION

Continually growing shareholder value by running market leading broker networks and underwriting agency group in our chosen geographies

OUR MISSION

Deliver valued and differentiated service to our customers and stakeholders by being the market leader and innovator in insurance services and risk management

OUR PURPOSE

Together we strengthen the future of our people, businesses and the communities we serve

OUR VALUES TOGETHER



None of us is as good as all of us

KEY PILLARS OF OUR STRATEGIC PLAN

Drive shareholder value

Pursue growth with entrepreneurial spirit and commercial excellence to generate targeted returns over the short and long term

Deliver market leading solutions

Provide quality products & services to the Steadfast Broker Networks resulting in better outcomes for clients

Maximise strategic and operational effectiveness

Realise the full potential of our Businesses by operating with a high level of collaboration and discipline

Together, make Steadfast a great place to work

Foster a diverse and inclusive culture with strong leadership to enhance employee engagement and drive performance

Strengthen industry relationships

Maintain market leader status with insurer partners to maximise mutual success while being respected and trusted by regulators and industry bodies

Disciplined strategic execution and financial management frameworks to support strategy

25-27 'Earnings' Strategy Framework

Organic Growth and Margin Improvement

Deliver organic revenue growth

- Customer acquisition focus
- Innovate via Mutuals and Underwriting Agency solutions
- Collaboration with Insurer partners to create new growth opportunities
- Increase usage of Steadfast core services

Margin improvement

- Balance decentralisation benefits and opportunities for margin improvement
- Drive improved performance via insights and best practice sharing
- Maximise productivity (automation, AI and remote offices)
- Leverage purchasing power and vendor management

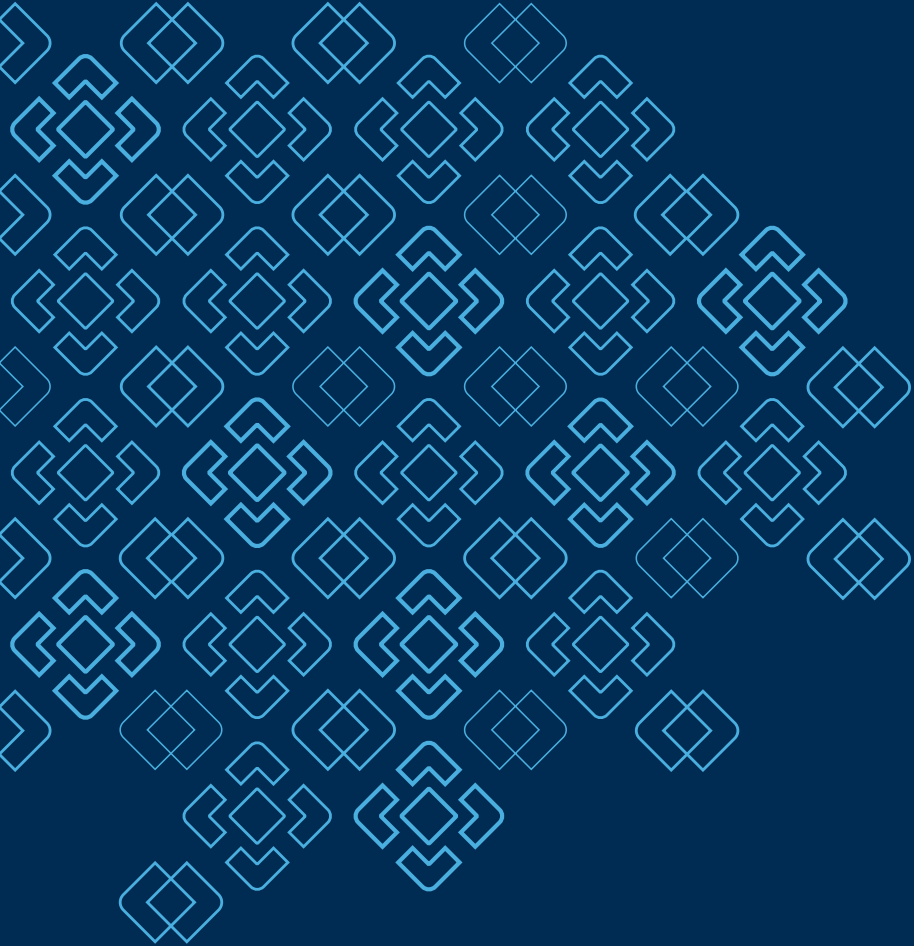
Inorganic Growth

Disciplined acquisition strategy to support long term growth and returns

- Continued focus on trapped capital in APAC
- Continued USA R&D
- Post acquisition plans measured and executed

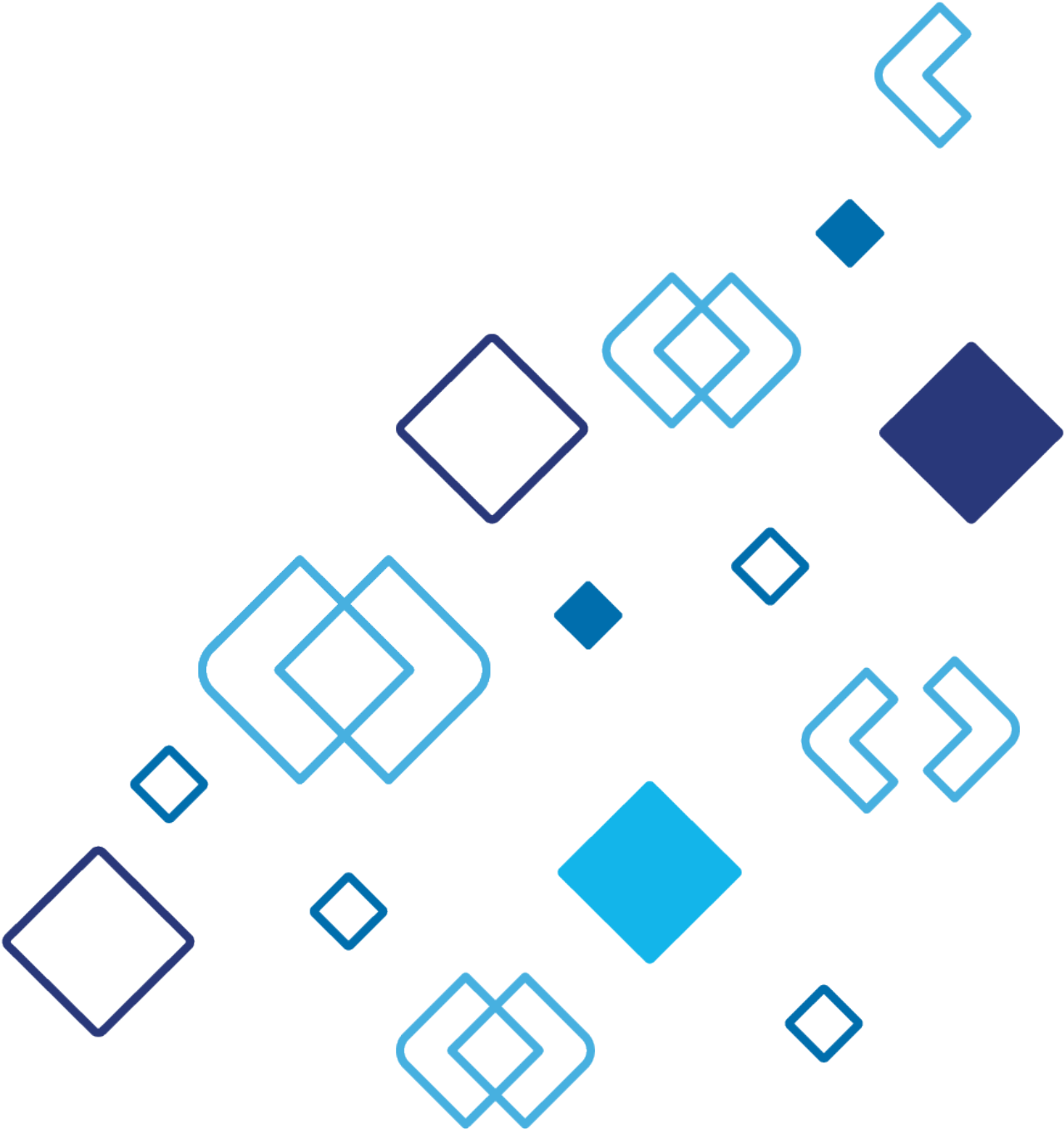
Strong balance sheet to support investment and take advantage of opportunities

- Maintain optimal gearing ratio
- Execute specific initiatives to deliver improved cash flow
- Maintain strong working capital position and conversion of profits to cash



Q&A

Morning Tea





04

Bradley Heath

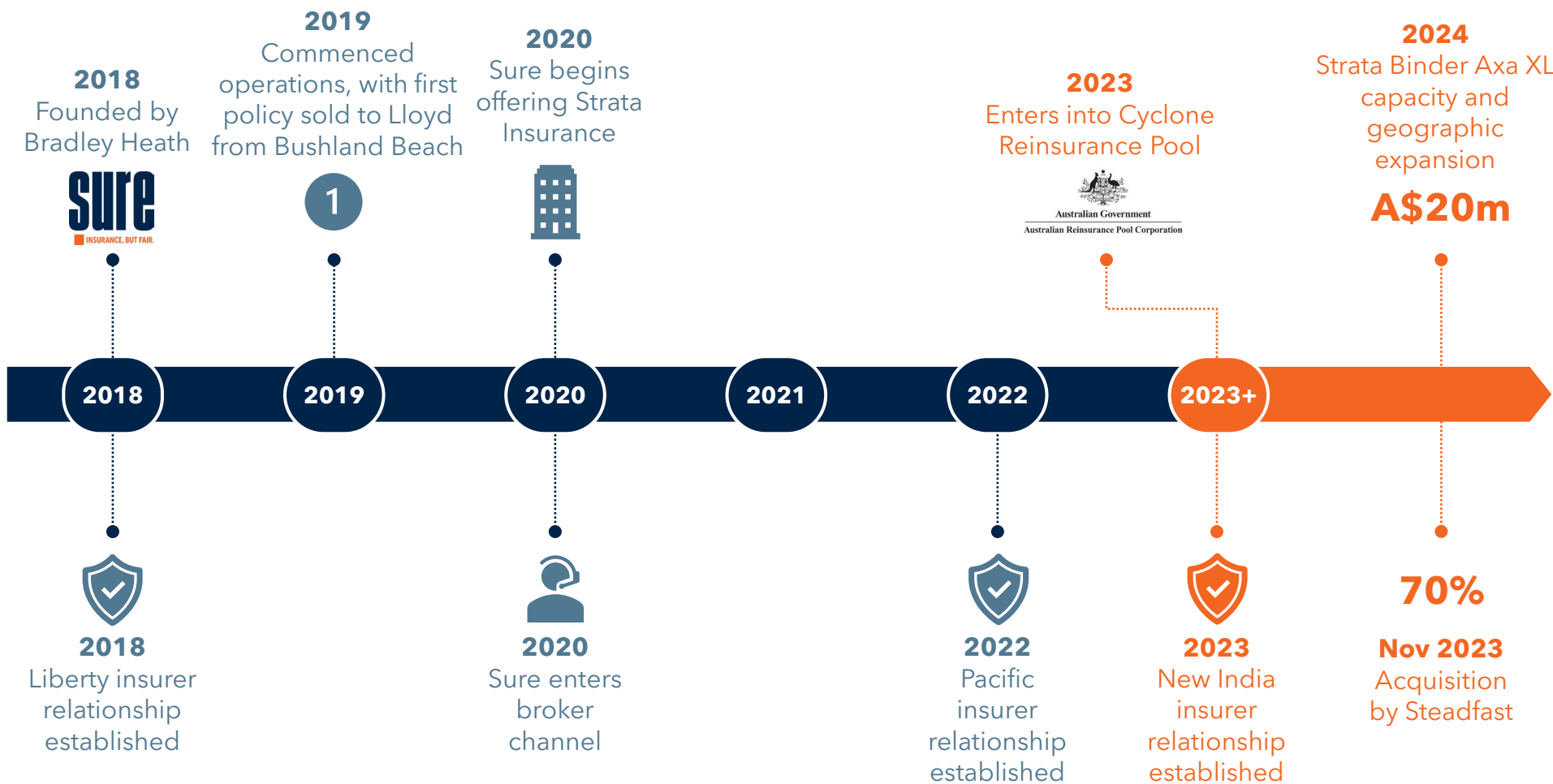
Sure Insurance – Managing Director

sure



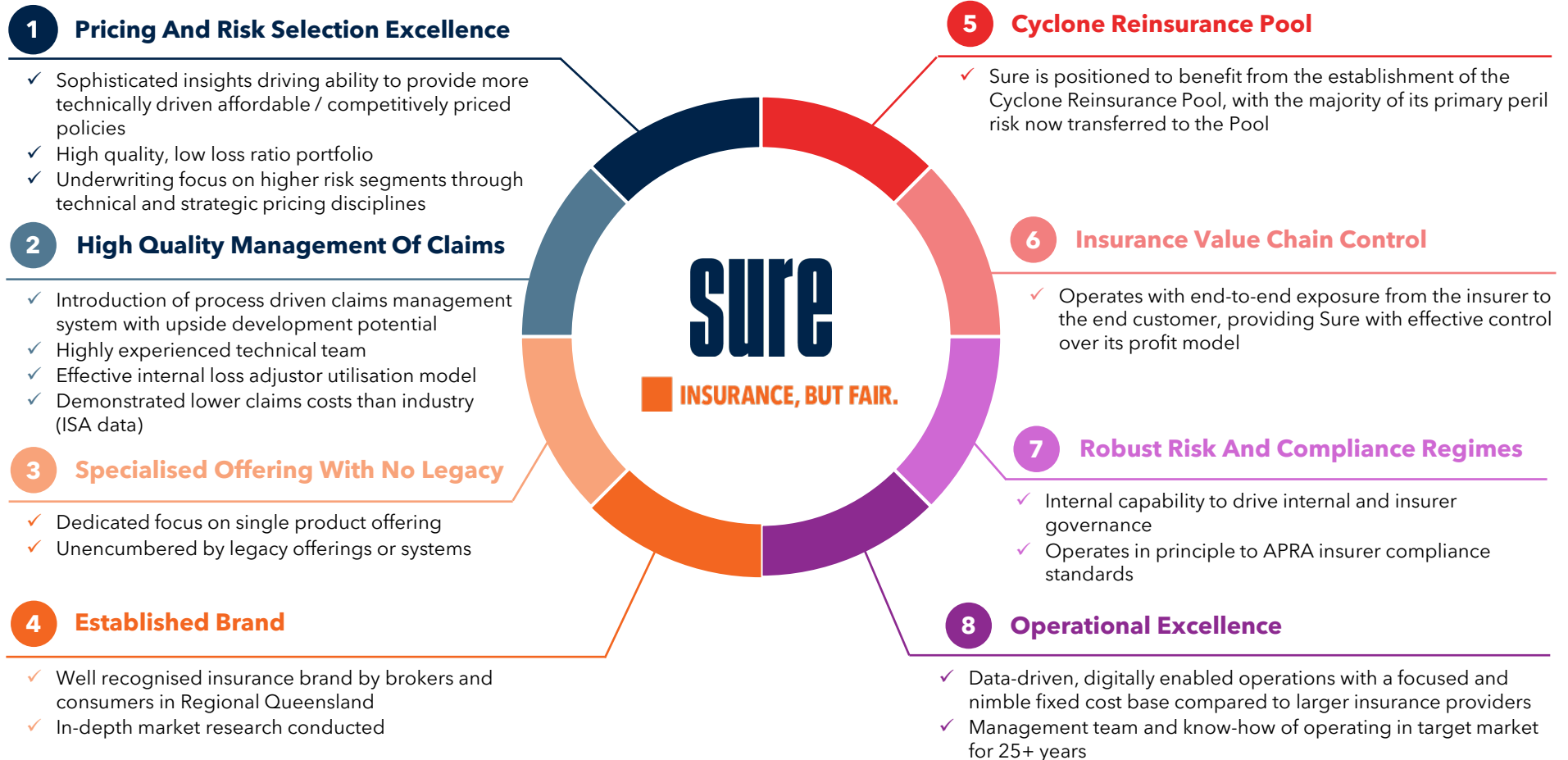
Company History

Sure has grown rapidly to become a leader in Home and Contents insurance in Regional Queensland



Strategic Advantages

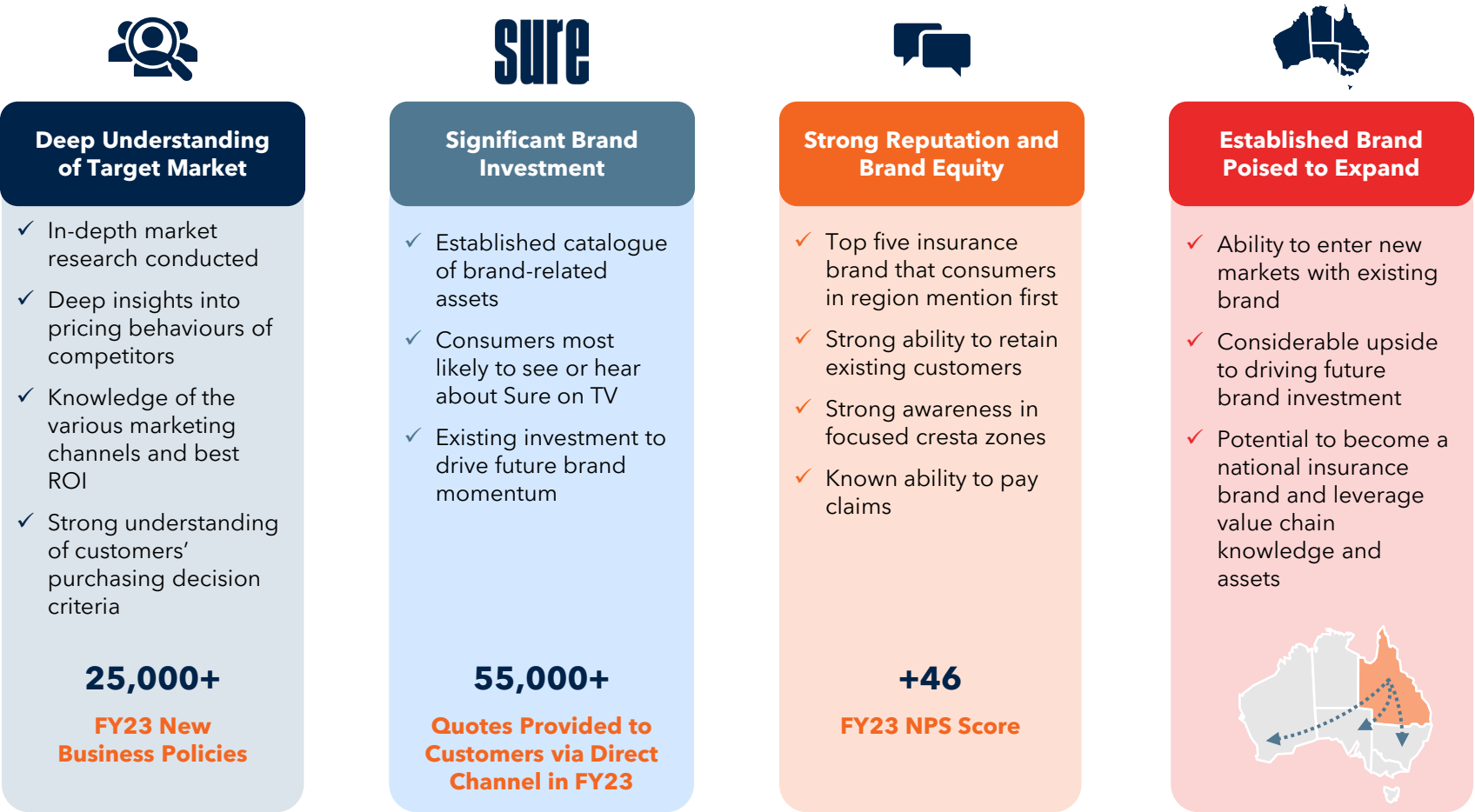
Nationally scalable and unique operating model underpinned by Sure's multi-pronged strategic initiatives and advantages - Insurance "Lite" model



Highly Recognised Insurance Brand

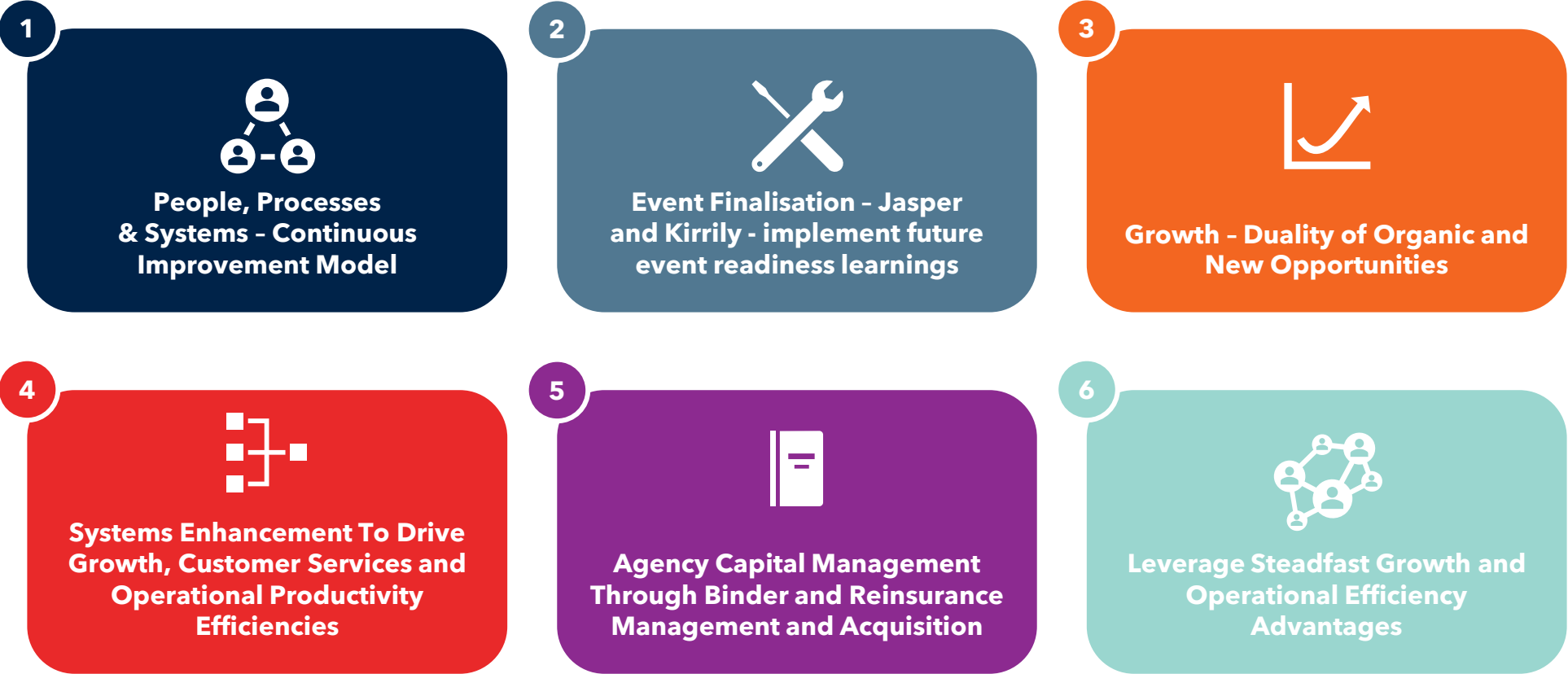
Sure has established a well recognised insurance brand demonstrated through its strong word of mouth in region and ability to retain existing customers

Highly Leverageable Insurance Brand



Current Priorities

Targeted continuous improvement activities to further strengthen organisational capability and capacity across the insurance value chain.



Why Steadfast?

Capability & capacity to drive national expansion using scalable Sure systems and processes

1

Expansion, capability and capacity - specifically:

- ✓ Steadfast Broker network
- ✓ SCTP
- ✓ Insurer relationships
- ✓ Operational efficiencies through systems and support

2

SCTP & National Broker Network

- ✓ Low cost entry into markets
- ✓ Test, learn and reset of premium rates and coverage
- ✓ Rapid rollout to next market preference

3

Capability, capacity and desire to support a disciplined national and targeted broker and direct market expansion plan

4

Relationship with existing Binder providers. Leverage Steadfast relationships with insurers into new Binder and reinsurance capacity and opportunities

5

Ultimately to support the potential of the Brand as a specialist national property insurance brand

Cyclone Jasper and Kirrily Impacts

First major event for Sure - valuable and positive learnings implemented across people, processes and systems

- ✓ Stretched operational capacity and resources have been ramped up – Jasper 1,900 claims - Kirrily 1,200 claims.
- ✓ Event learnings have driven positive claim system workflow and operational enhancements
- ✓ Reinsurance Pool responded inadequately to Jasper loss profile. Parliamentary inquiry response submitted by Sure for legislative change consistent with industry view.
- ✓ Ongoing focus on customer claims finalisation, apportionment of claims to Reinsurance Pool, systems optimisation through enhancements and configuration
- ✓ Internal adjusting model stood up well as did repairer relationships
- ✓ Portfolio analysis shows Sure loss frequency was better than market share
- ✓ Event readiness tested and key organisational learnings have been captured and actioned for future Events

Multiple Actionable Growth Levers - Horizons

Sure is capitalising on several actionable growth opportunities with significant work already completed or underway. Opportunities available to turbocharge growth with additional investment using scalable pricing, claims and systems assets

Initiatives & Horizons	Description
1 Grow Profitable Market Share	<ul style="list-style-type: none">Continue to selectively grow target market share in Regional Queensland
2 Distribution Channel Expansion	<ul style="list-style-type: none">Further growth in established direct channels (Call Centre and Online) and expansion of broker channel
3 Product Innovation & Expansion	<ul style="list-style-type: none">Expansion of residential strata offering (consider office) into SEQ followed by east coast.Other product innovation initiatives (e.g., Landlord, product tiering, broker specific)
4 Geographic Expansion	<ul style="list-style-type: none">National expansion opportunitiesState by state progressive basis with propositions to suit local markets & underpinned by SCTP.
5 New Markets	<ul style="list-style-type: none">Expansion into other insurance categories (e.g., motor vehicle) via inwards white-label productsAbsorption of other existing home portfolios
6 M&A Opportunities	<ul style="list-style-type: none">Opportunities to expand geographically and into new insurance areas via acquisition and/or joint venturing

✓

Opportunity to create a specialist national property insurance brand

05

Nick Cook

Executive General Manager – Networks,
Broker and Insurer Services, Asia Pacific

Nick Cook | Executive General Manager



Nick Cook

Executive General Manager
Networks, Broker and Insurer
Services, Asia Pacific

Steadfast Group

Nick Cook

Nick has spent most of his career on the Insurer side, focusing on broker distribution, segmentation & product to market.

This experience together with time spent working in Regional, Metro & National markets has provided Nick with strong insights to the distribution across the spectrum of distribution operations & strategy.

Nick then joined Steadfast 9 years ago & is responsible for Steadfast's Carrier Management, delivery of Broker Services to the Steadfast broker network including the Steadfast Client Trading Platform.

Nick is also Vice President of the National Insurance Brokers Association (NIBA), sitting on the Board representing brokers interests at the highest level of industry & government.

Our unique advantage



Focussed on being the best broker networks across APAC

- We **genuinely** focus on improving the value Steadfast brings to our broker network, ensuring their clients have access to the **best advice, access to markets & support at the time of a claim.**
- Steadfast is **unique** in the level of **services** provided to brokers across APAC.
- We **never sit still**, we continue to **innovate** & source the best solutions globally, this drives us forward & reflects our Steadfast DNA.

Broker Networks

Australia, New Zealand & Singapore

Future Focus



Bringing a uniform approach to our networks across

- Services
- Carrier Management
- SCTP
- Trapped Capital
- Compliance & Regulatory
- Technology
- Agencies



MGA's | Filling the gap

Steadfast 
THE STRENGTH YOU NEED

MGA's | No longer in the shadows of the Insurers

The rising sophistication of the MGA model presents an attractive, trusted, efficient way in which Insurers can deploy capital into segments they could not nimbly target themselves



We're seeing a
changing balance
of **Insurer & MGA** markets



Brokers choosing MGA's
over Insurers due to lack
of **service, risk appetite,**
relationship & channel
conflict

Changing Market Demographics

- We are seeing an ongoing rebalancing from Insurers towards MGA's
- Insurers are challenged by lack of service, risk appetite, people & systems

Capacity Source	Premium Movement	Policy Movement	% Share of SDF Portfolio	YoY % Change
Insurers Top 8	9.6%	-4.5%	47.8%	-4.9%
Insurers Total	9.1%	-5.1%	53.4%	-7.7%
MGA's Total	19.1%	9.9%	45.5%	8.1%



Platforms | The place to be

Steadfast 
THE STRENGTH YOU NEED

Platforms | The Preferred choice

Providing choice of market, broader choice of products & markets together with quality wordings on a contestable platform align with evolving generation & distribution changes



We're seeing the accelerating **migration of product distribution to platforms including MGA's**



The transition across generations & distribution leads to **platforms** becoming a **necessary delivery of product** to the intermediated market, **AI will accelerate the potential** to place more product with **increasing complexity with less key strokes**

Our Regulatory Environment



The regulatory environment is expected to be relatively benign post the QOAR Review

Legislation in respect to commissions has been redrafted, NIBA recently addressed the Senate committee in support of the redrafted legislation



We are seeing complete change in the leadership across industry groups (ICA, ANZIIF, NIBA & UAC) aligned to a greater knowledge & insight from government of the fundamentals of risk & capital & the flow onto insurance availability & pricing



Expect to see greater **industry advocacy**, **collaboration** & initiatives in addressing **community expectations** of the role insurance plays in the community

Overview of main changes affecting agencies

- 1 July 2025 – CPS230 in force
- 1 July 2026 – Transition period ends for existing service provider contracts
- CPS230 provides an opportunity for smaller agencies to join Steadfast



Operational Risk Management

- Insurers must manage operational risks with effective internal controls, monitoring and remediation.
- Currently ineffective controls have resulted in preventable events.



Business Continuity Management

- Insurers must be able to respond to disruptions and maintain continuity of critical operations with tolerance.
- Currently there is a low tolerance for disruptions.



Management of Service Provider Arrangements

- Insurers must understand and manage risks associated with using service providers.
- Currently APRA's view is that risks around 3rd (and 4th) parties are not managed adequately.

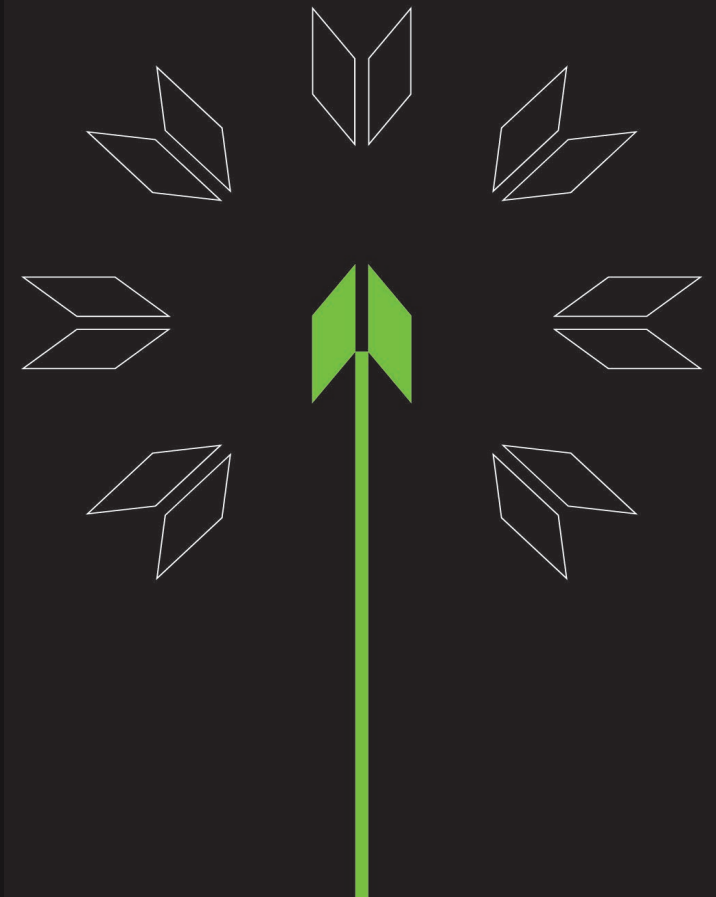
06

Wayne Tower

Chief Executive Officer - IQumulate Premium Funding



Protect | Invest | Grow





Agenda

Product, Market & Company Overview

Funding

Regulatory, Compliance & Risk Management



Product, Market & Company Overview



Insurance Premium Funding

- Short term finance facility that enables borrowers to manage payments for a range of insurance policies via instalments.
- Majority of borrowers are business entities across Australia & New Zealand (75% by loan count and 96% by amount financed).
- Loans are originated on terms between 10-12 months and are secured by un-earned premium of underlying policies financed. Some credit risk is taken with financing of non-refundable policies
- Portfolio is supported by Trade Credit Insurance subject to aggregate deductible and minimum loss thresholds
- Sound risk profile as loan purpose (insurance payments) is non-discretionary
- IQumulate is the second largest (by volume funded) participant in Australian and NZ markets



Organisation Structure

- Board of directors in place with directors' background spanning insurance broking, underwriting and commercial lending
- Risk Committee comprises 3 external members and business delegates
- Experienced management team with business tenure ranging from 4 – 16 years leading all role functions:





Business Model / Distribution Strategy

- Majority of product distribution via insurance brokers
- Open market business – IQumulate competes within several non-Steadfast distribution channels:
 - Self licensed brokers
 - Authorised representatives
 - International brokers
- Highly automated, technology driven delivery to end customer with integration through broker management systems (e.g., Insight), among other platforms
- One of 4 premium funding partners within the Steadfast network which ensures sufficient competition to provide best for customer outcomes
- Largest funder within the Steadfast network



Funding Facilities - AU

- A\$660M credit rated (Moody's) warehouse in place to support funding requirements of our Australian business, involving multiple participants:

Tranche	Participants	%	\$M
Senior	Two major banking institutions	87.2%	575.5
Mezzanine	Industry Funds Management	10.6%	70.0
Equity / Seller	IQumulate	2.2%	14.5

- Perpetual appointed as Trustee, Manager and Backup Servicer
- Limited recourse, bankruptcy remote vehicle with no guarantees given by the IQ group companies or Steadfast in support of the debt of the Trust
- Trust assets are subject to certain eligibility criteria at sale and ongoing compliance to agreed portfolio parameters (e.g., underwriter & industry concentrations, non-cancellable % as a total of receivables, arrears rates)
- Lending entity separate to operating company (originator & servicer)



Funding Facilities - NZ

- NZ\$75M corporate loan provided by ANZ
- 12-month tenor (to May 2025)
- Secured against NZ receivables book of IQumulate Funding Services Ltd with no recourse to other group entities
- Similar to Australian warehouse, corporate loan includes ongoing covenants to measure obligor limits, underwriter concentrations, industry concentrations, non-cancellable % as a total of receivables, arrears rates
- Lending entity separate to operating company (originator & servicer)

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Regulatory, Compliance and Risk Management



Governance & Compliance

Risk Appetite	Risk Appetite Statement approved by IQPF Board and monitored quarterly.
	Monitored metrics encompass financial, operational, IT, regulatory, compliance and reputational risks.
Governance and Compliance	Board approved delegation of authority in place to support decisioning with separation between sales and origination discretions.
	Committees have been established focusing on strategy performance and people, risk and compliance, technology and treasury.
	Regulatory framework documented and managed periodically with allocated accountability based on area of responsibility.
Industry Codes of Practice	Accredited since October 2022 against Insurance Premium Funding Code of Practice, developed by industry with support from Australian Finance Industry Association
	Accredited since July 2023 against NZ Premium Funding Code of Practice



Regulatory & Reporting Requirements

ASIC

- Product Design & Distribution Obligations (Domestic / Consumer)
- National Consumer Credit Protection Act (Operating under relief instrument from selected obligations)

NZ Commerce Commission

- Credit Contracts and Consumer Finance Act (Exempt from some aspects)

NZ Companies Office

- Financial Services Provider, Fit & Proper Persons requirement

APRA

- Registered Financial Corporation

Other

- Anti-Money Laundering / Counter Terrorism Financing (AU & NZ)
- Complaints Authority Membership (AFCA, Financial Services Complaints Ltd)

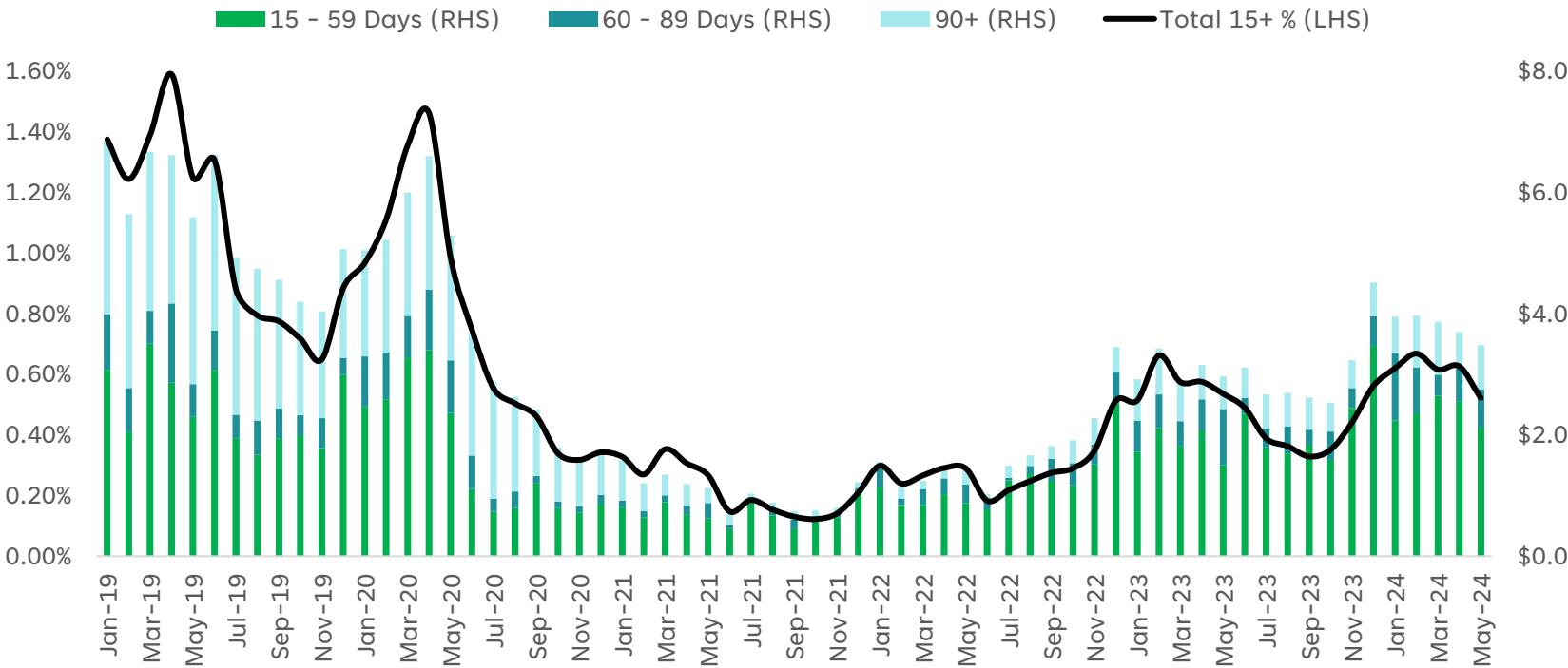


Risk Management Framework

- Risk appetite & scorecard reviewed at quarterly board meetings
- Monthly risk update provided to board with risk report created and published internally each month
- Risk & control register maintained with external review recently completed
- Credit bureau integration introduced in December 2020 to enhance visibility of credit quality at origination. Medium term strategy is to implement some automatic decisioning after extensive back-testing of portfolio
- Increasing attention on cyber risks, mitigation and response readiness



Consolidated Arrears Performance – 5 Years



- Predominately SME portfolio (average loan size ~\$24k) exhibiting high degree of resilience and showing no indications of industry or geographic stress



Strategy

- Short term focus remains AU & NZ markets with year-on-year 10%+ revenue growth targets and EBITDA margin improvement
- Sufficient scale available through operating platform to ensure growth will be highly earnings accretive
- Medium term strategy now in place with 3 key focus areas:
 - Growth:
 - People (learning & development)
 - Increasing market share in exiting channels
 - Operational efficiencies through workflow & process automation
 - Exploration of new distribution channels
- Explore the existing US market together with Steadfast's ISU Group investment



Thank you



Protect | Invest | Grow

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iqumulate.com

07

Helen Tebelopoulos

Goldseal - General Manager, Operations
Compliance and Customer Experience

What we do



Compliance & Customer Experience



Why we do it

Corporations Act

ASIC Act

Insurance Contracts Act

Privacy Act

Insurance Broker Code of Practice

Steadfast Code of Conduct

General Insurance Code of Practice

Fair Work Act

Workplace Health & Safety Acts



Audit and Review Program

Examines management and corporate governance systems for effectiveness and compliance with financial services legislation

Evaluates adequacy and suitability of systems for managing business operations

Establishes recommendations for remediation and improvement opportunities

Helplines



Compliance Helpline



Over 642 queries

FY24 YTD



Top 5 Topics:

- › Regulators
- › CCX360
- › Authorised Representatives
- › Obligations to clients
- › Financial Services Guide

Helplines



HR Helpline



Over 662 queries

FY24 YTD



Top 5 Topics:

- › Contracts of Employment
- › Performance Management
- › Termination
- › Leave – Personal/Carers
- › HR Materials

Steadfast Learning Hub - FY24 YTD



74,746 of CPD issued
via the Learning Hub



19,726 courses completed



30,050 webinar
certificates issued



Popular courses:

- Insurance Brokers Code of Practice
- Supporting Vulnerable Clients
- Advising Retail Clients
- Breach Reporting
- Effective Complaints Handling

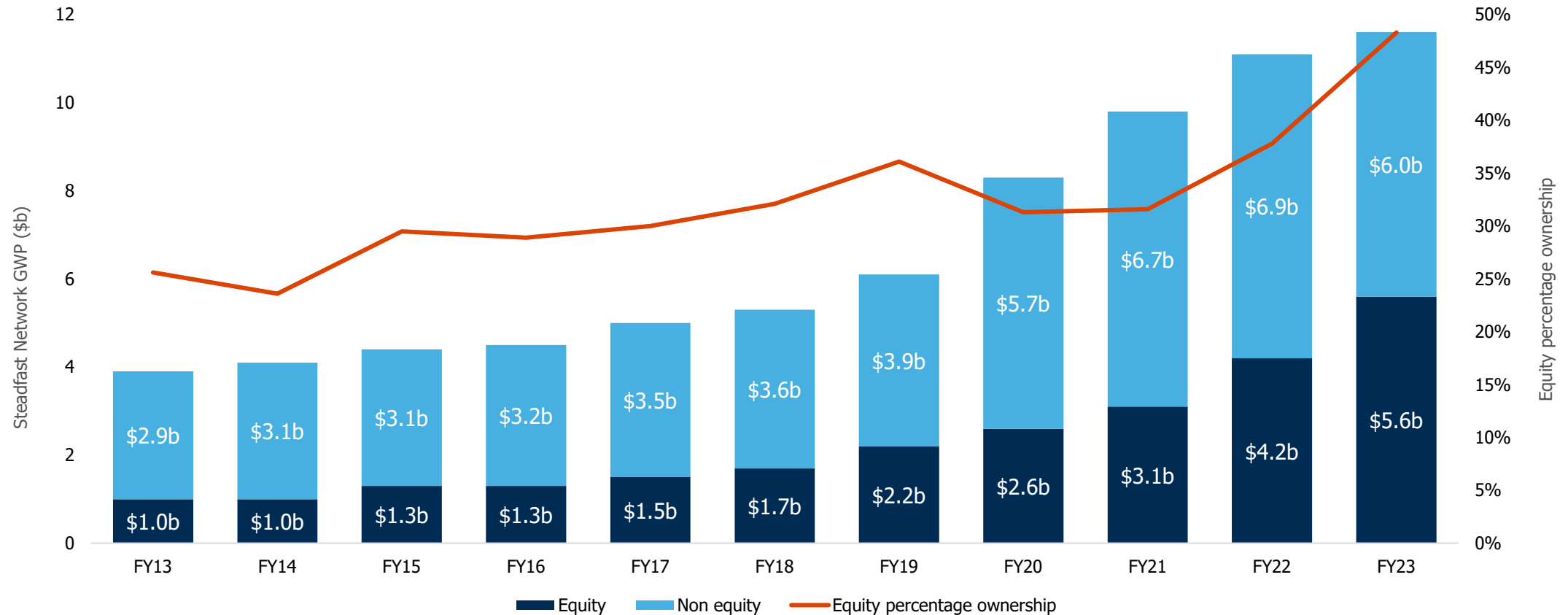
08

Stephen Humphrys

Chief Financial Officer

Steadfast Group's share of growing Network GWP

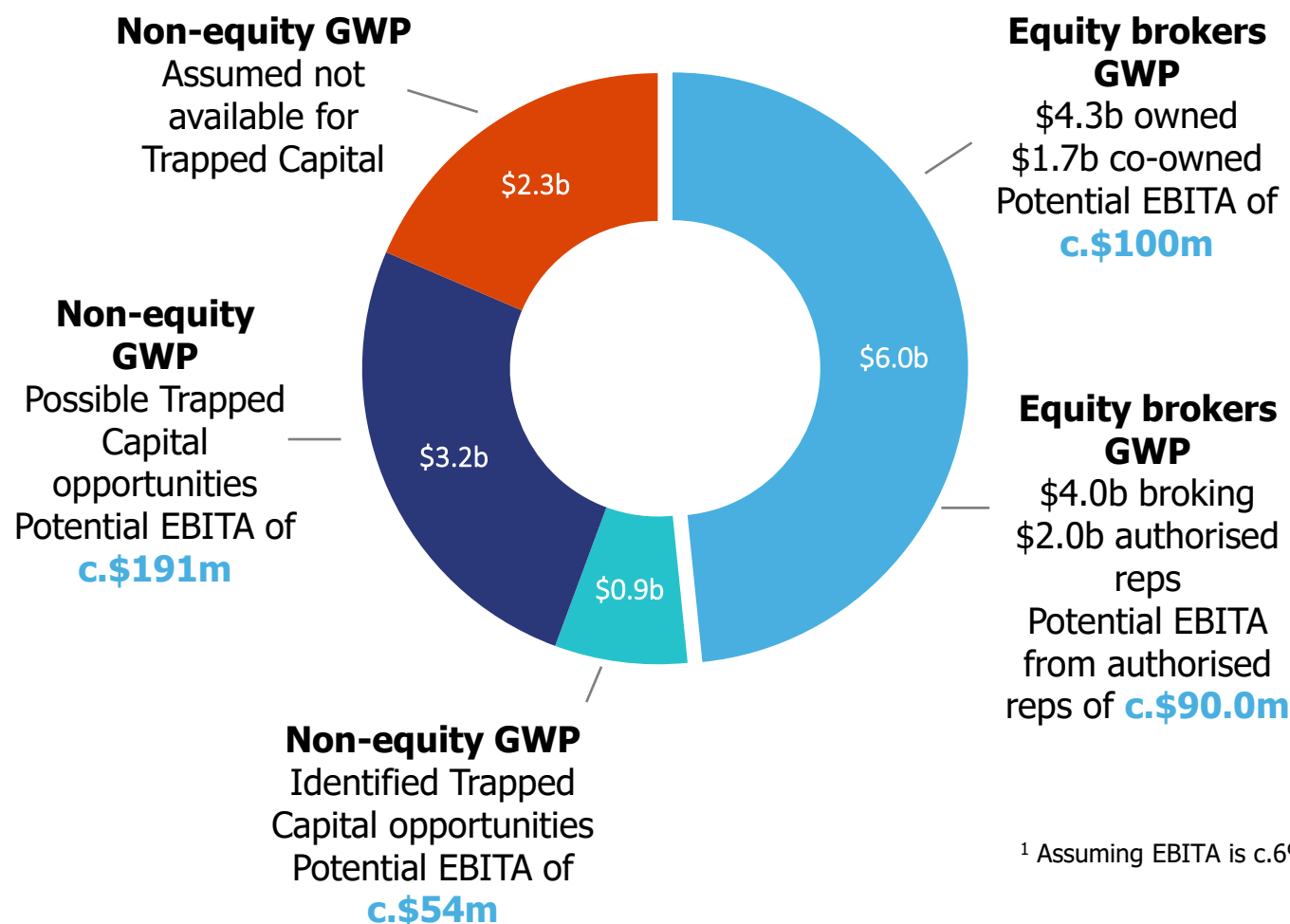
Consistently increasing the size of the Steadfast Network and equity ownership



Australasian Network acquisition opportunities

Potential to acquire c.\$435m¹ EBITA from current Australasian Network and equity brokers

CY23 Steadfast Network GWP = \$12.4b



¹ Assuming EBITA is c.6% of GWP.

09

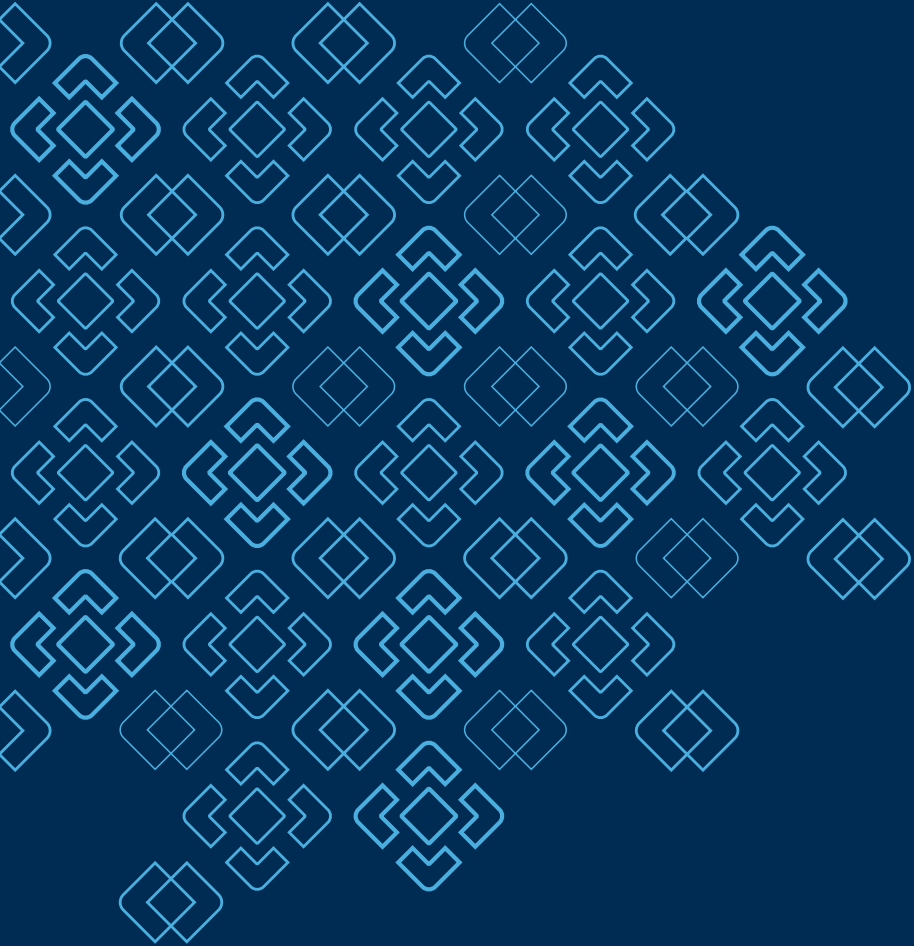
Robert Kelly AM

Managing Director & CEO

Delivering on IPO strategy of organic and acquisition growth

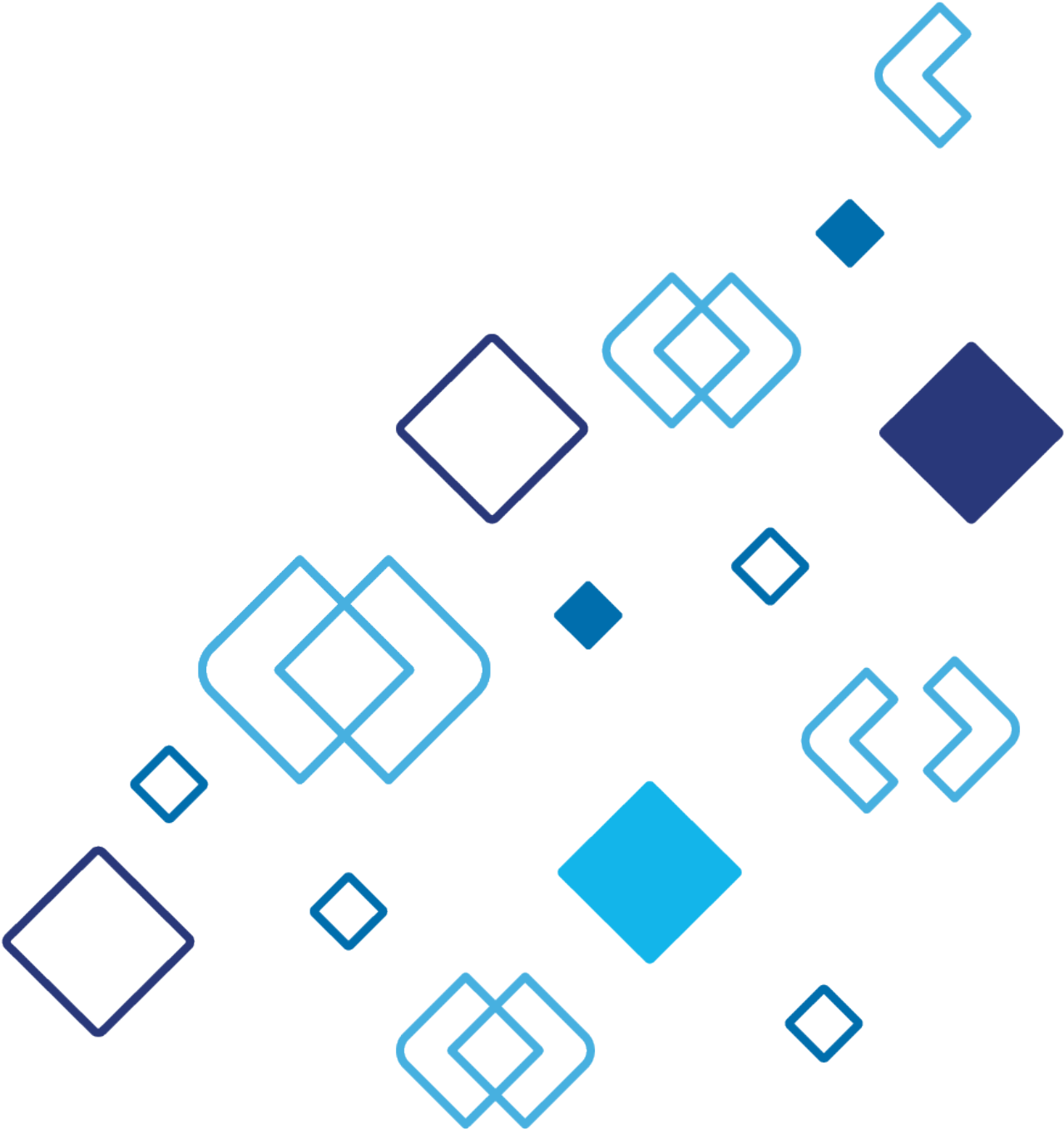
Steadfast remains well positioned to continue delivering sustainable growth

1. Premium pricing market remains strong
2. Organic growth strategies being implemented, regardless of premium cycle
3. Trapped Capital acquisition pipeline is robust
4. Disciplined strategy execution by highly skilled executive team
5. Some observations



Q&A

Lunch



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Thank you

