



Equity Trustees

# ANNUAL GENERAL MEETING

The Hon Jeffrey G Kennett AC, Chairman

Mick O'Brien, Managing Director

EQT Holdings Limited

**25 OCTOBER 2019**

**ANNUAL  
GENERAL  
MEETING**



**THE HON  
JEFFREY G  
KENNETT AC**

**CHAIRMAN**

# BOARD OF DIRECTORS



**THE HON JEFFREY G  
KENNETT AC**  
Chairman



**ALICE JM WILLIAMS**  
Independent  
Director



**ANNE M O'DONNELL**  
Independent  
Director



**KEVIN J ELEY**  
Independent  
Director



**D. GLENN SEDGWICK**  
Independent  
Director



**JAMES MINTO**  
Independent  
Director



**TIM HAMMON**  
Independent  
Director



**MICK O'BRIEN**  
Managing Director



# AGENDA

- ( 1 ) CHAIRMAN'S ADDRESS**
- ( 2 ) MANAGING DIRECTOR'S ADDRESS**
- ( 3 ) ITEMS OF BUSINESS**

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GENERAL  
MEETING**



**THE HON  
JEFFREY G  
KENNETT AC**

**CHAIRMAN**

**ANNUAL  
GENERAL  
MEETING**



**MICK O'BRIEN**

**MANAGING  
DIRECTOR**

# LEADERSHIP TEAM



**MICK O' BRIEN**  
Managing Director



**PHILIP GENTRY**  
Chief Financial Officer  
& Chief Operating Officer



**SHARNI REDENBACH**  
Executive General  
Manager,  
Human Resources



**HARVEY KALMAN**  
Executive General  
Manager, Corporate  
Trustee Services &  
Head of Global Fund  
Services



**IAN WESTLEY**  
Executive General  
Manager,  
TWS Private Clients



**MARK BLAIR**  
Executive General  
Manager,  
TWS Superannuation  
Trustee Office



**DARREN THOMPSON**  
Head of Asset  
Management

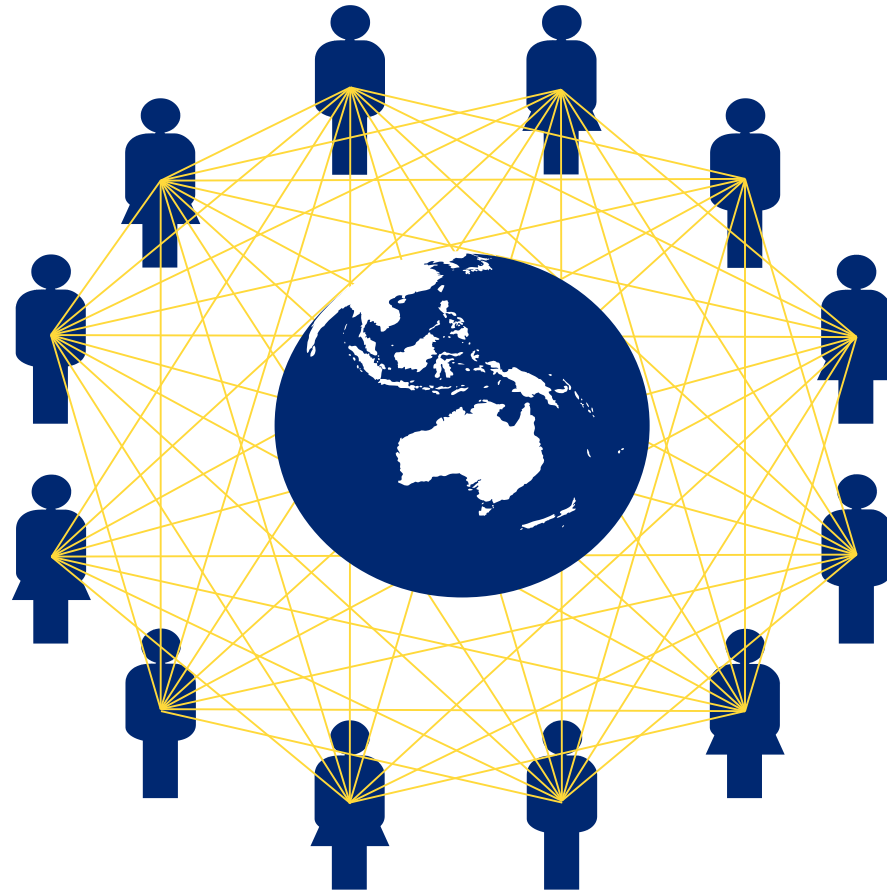


**OWEN BRAILSFORD**  
Chief Risk Officer



**ALICIA KOKOCINSKI**  
General Manager,  
Marketing &  
Communications

# CLEAR STRATEGY – TO BE AUSTRALIA'S LEADING TRUSTEE COMPANY







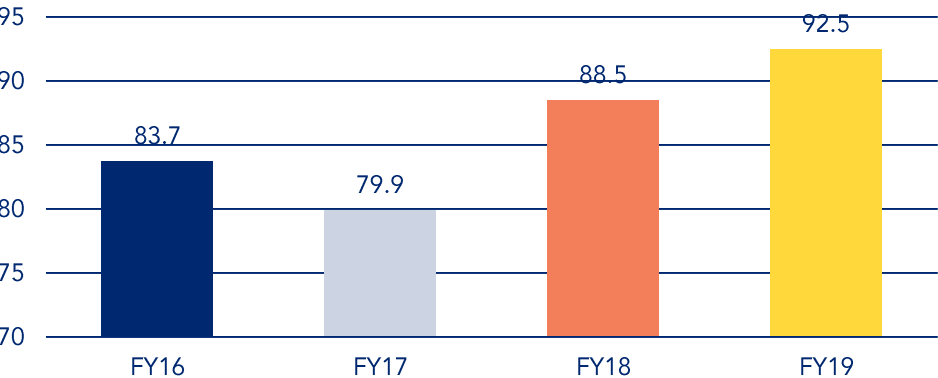
# STRONG FY19 RESULTS

- Net profit up 12.7% to \$22.2m
- Revenue up 4.6%
- Disciplined expense management – increase 2.4%
- Basic earnings per share up 11.7% to 108.6 cents
- Total dividend for the year 90 cents, up 9.8%

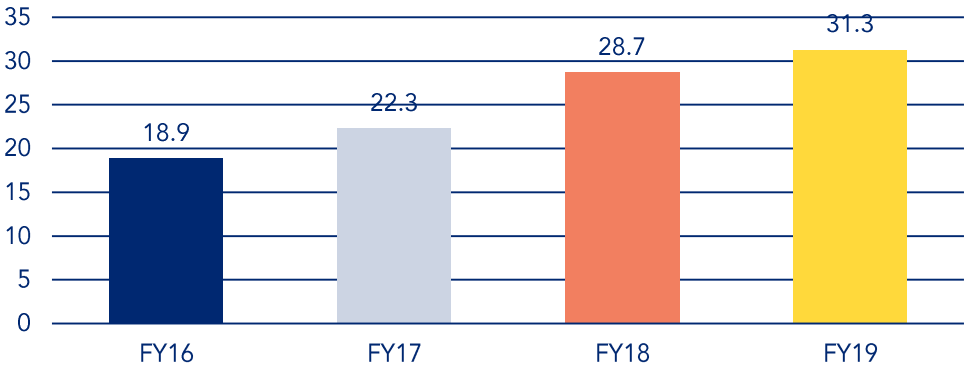
# CONSISTENT IMPROVEMENT IN PERFORMANCE



TOTAL REVENUE **\$92.5M**

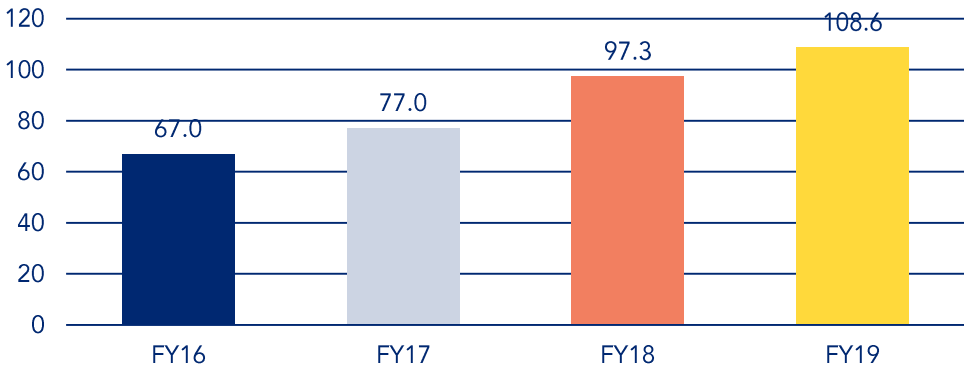


NPBT **\$31.3M**



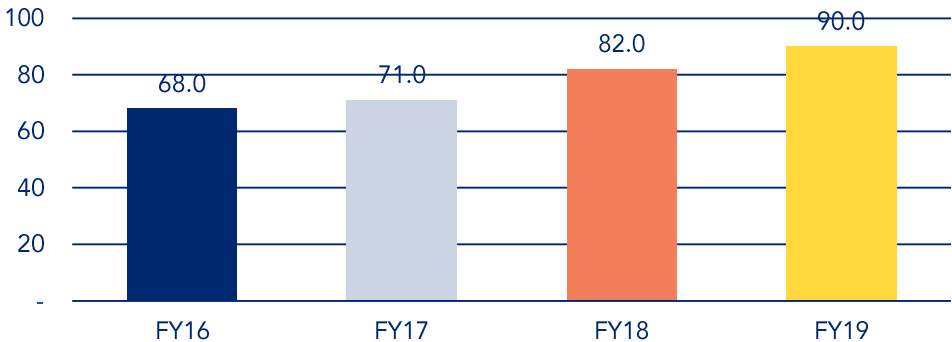
**108.6**CENTS

EARNINGS PER SHARE

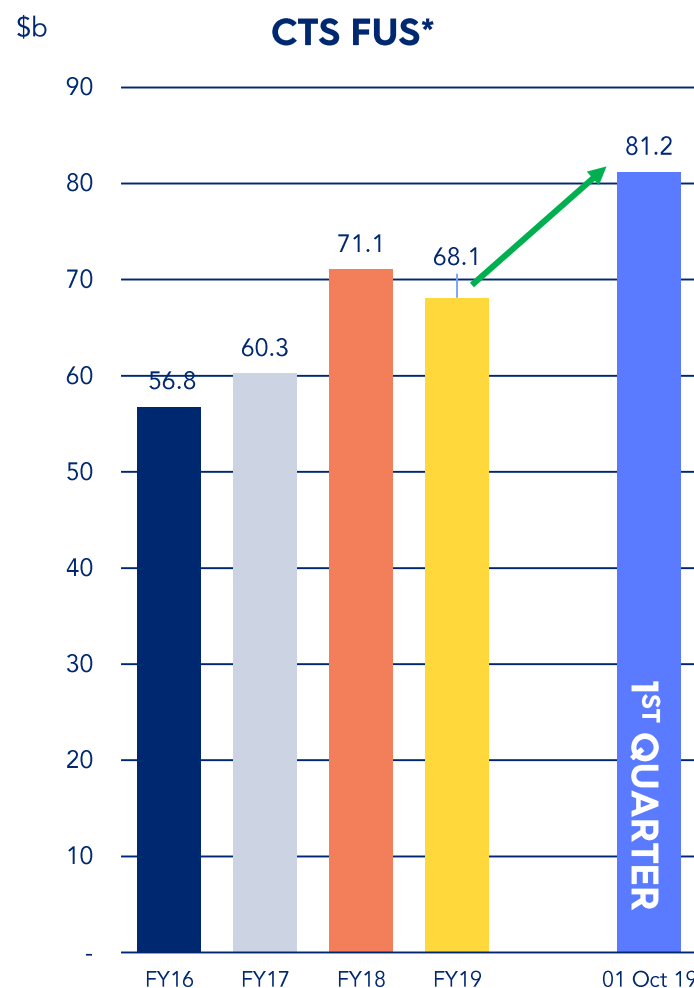
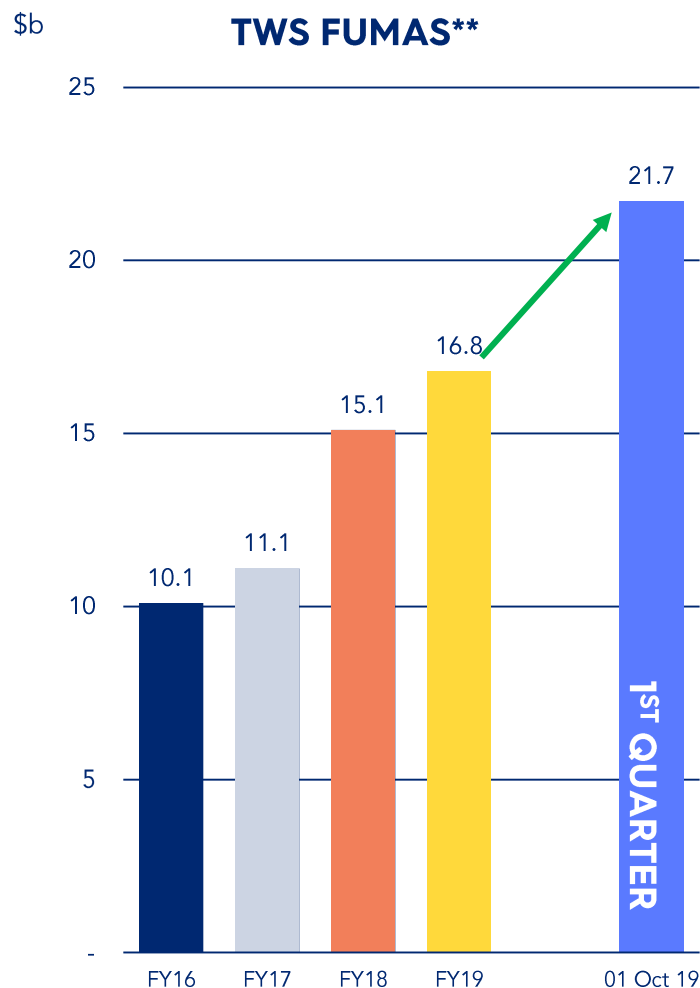


**90**CENTS

DIVIDENDS



# FUMAS NOW EXCEEDS \$100B



\* FUS: Funds under supervision  
\*\*FUMAS: Funds under management, administration, advice and supervision  
Estimate as at 1<sup>st</sup> Oct 2019

Note: Excludes UK/Ireland client FUS

- FUMAS up significantly in both Trustee and Wealth Services (TWS) and Corporate Trustee Services (CTS)
- Appointment of ETSL as trustees of CMLA super funds ~\$4.5b
- Appointment of EQTL as Trustee of CMLA funds ~ \$10.5b
- Appointed as RE to several Listed Investment Trusts:
  - Neuberger Berman
  - Regal funds Management
  - Partners Group

# TRUSTEE AND WEALTH SERVICES HIGHLIGHTS



## PRIVATE CLIENTS\*

- 10 new perpetual charitable trusts and living donors
- 10 new compensation trusts
- 2 new Indigenous trusts – now serving about 15,000 beneficiaries
- 20 new advice clients



**FUMAS  
INCREASE  
~\$193M**

## SUPERANNUATION\*

- Acquired Zurich Australia Superannuation Pty Ltd FUS \$1.1b
- CommInsure appointment increased FUS by ~\$4.5b as at 1 Oct 2019
  - 4 funds
  - 795,000 members
  - ~100 products

\* During FY19 unless otherwise stated

# CORPORATE TRUSTEE SERVICES HIGHLIGHTS



## FUND GOVERNANCE (AUST)

- Appointment as Trustee to CMLA, funds totalling ~\$10.5b effective 1 Oct 2019
  - 28 funds
- Third Listed Investment Trust (LIT) Partners Group listed in Sept \$550m
- Total LIT FUM now exceeds \$1.8b

## FUND GOVERNANCE (UK/IRE)

- Appointed as authorised company director(ACD) to Alliance Bernstein UK fund
- Appointed as ACD to 8 River & Mercantile funds in the UK, totalling A\$3.9b effective 21 Oct 2019

## CORPORATE TRUST AND SECURITISATION DIVISION

- Awarded first securitisation deal – closing before Christmas
- Appointed to landmark syndicated loan deal - two leading investment banks for global property developer
- Implemented trust management system from Moody's Analytics

# DELIVERING FOR ALL STAKEHOLDERS

**T1**

IMPROVING  
CLIENT  
SATISFACTION

**T2**

LIFTING  
EMPLOYEE  
ENGAGEMENT

**T3**

GROWING  
SHAREHOLDER  
VALUE

**T4**

DEEPENING  
COMMUNITY  
IMPACT



## MEASUREMENT

**T1**

Net promoter score  
Net loyalty score

**T2**

Engaged and  
enabled staff

**T3**

Earnings per  
share growth and FUMAS  
growth

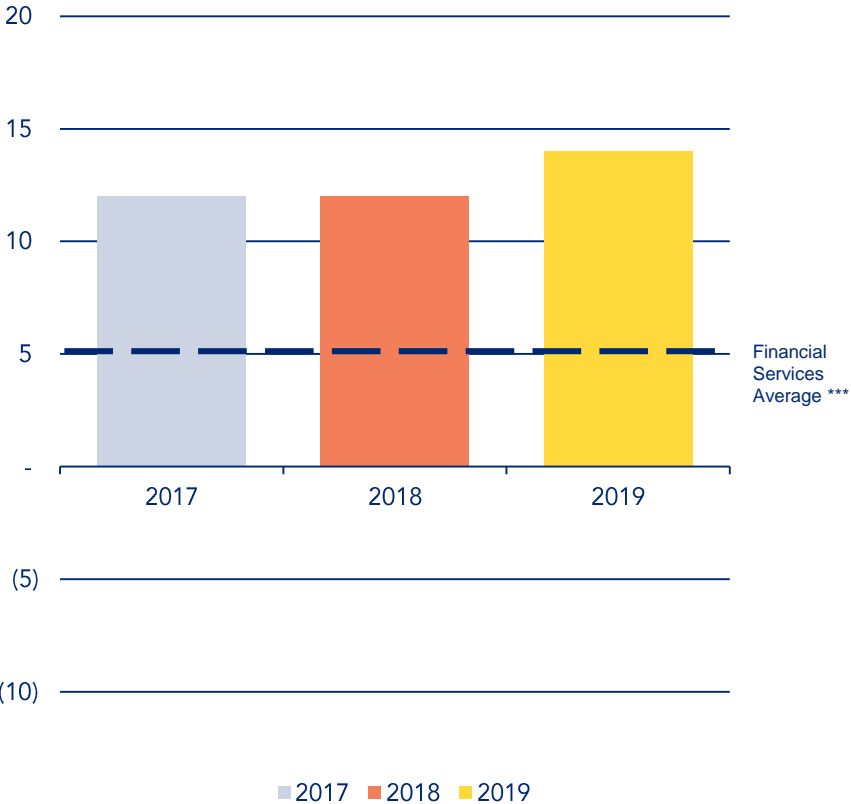
**T4**

Granting and volunteering

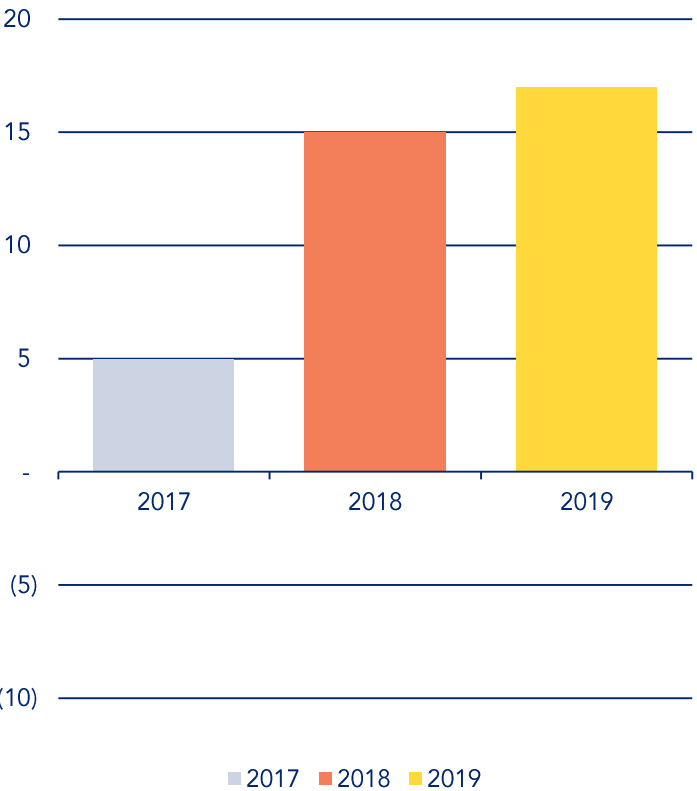


# T1 – IMPROVING CLIENT SATISFACTION

NET PROMOTER SCORE (NPS)



NET LOYALTY SCORE (NLS)



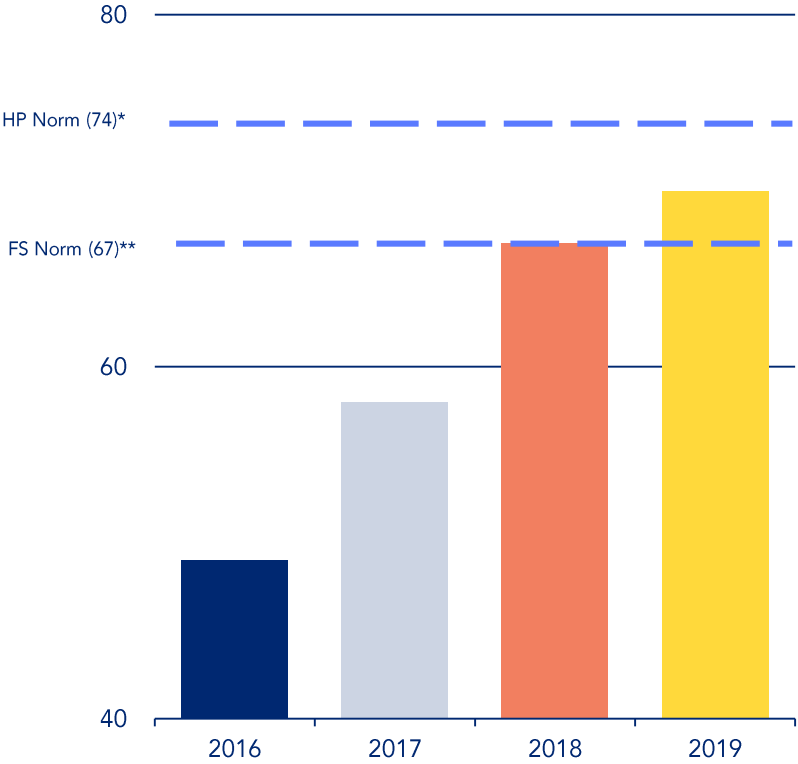
- Digital strategy focused on significantly improving client experience
- Investment in business development, front-line capabilities and enhanced client reporting

\*Net Promoter score – net measure of clients willing to recommend EQT  
\*\*Net Loyalty score – net measure of clients prepared to purchase another EQT product or service.  
\*\*\* Roy Morgan Advocacy report, Financial Institutions. Monthly report – February 2019 (<http://www.roymorgan.com/findings/7918-banking-nps-201903290530>)

# T2 – LIFTING EMPLOYEE ENGAGEMENT

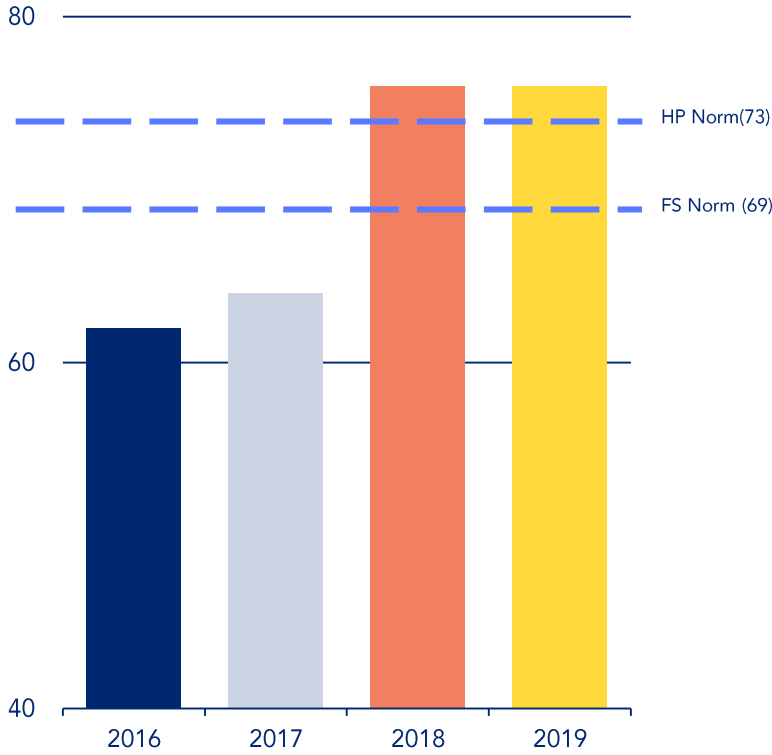


EMPLOYEE ENGAGEMENT



\* High Performing Norm  
\*\* Financial Services Norm

EMPLOYEE ENABLEMENT



WORK, STRUCTURE  
AND PROCESS

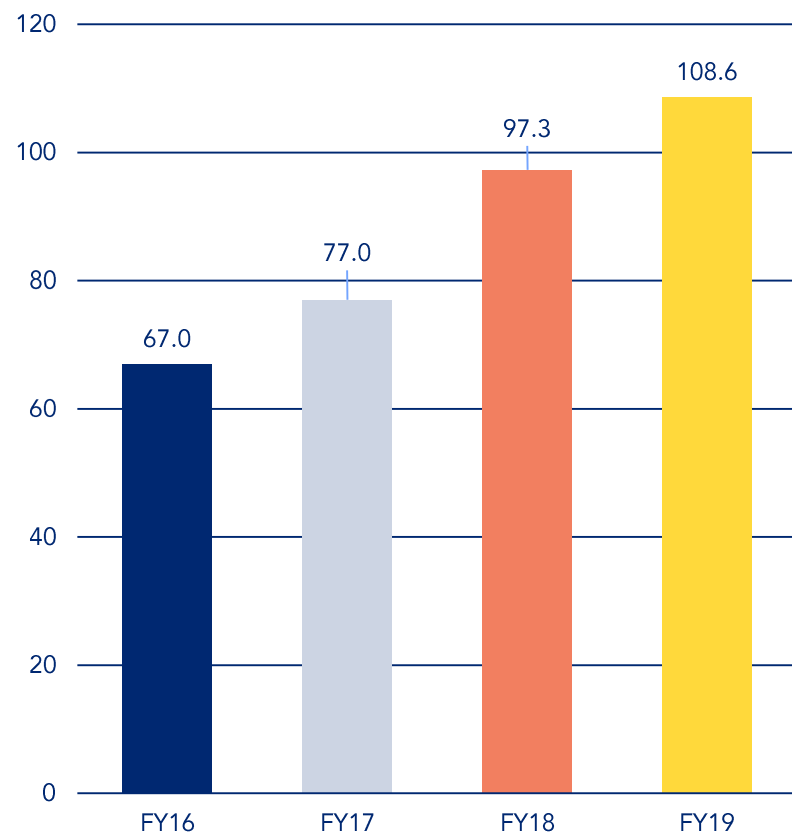


# T3 – GROWING SHAREHOLDER VALUE



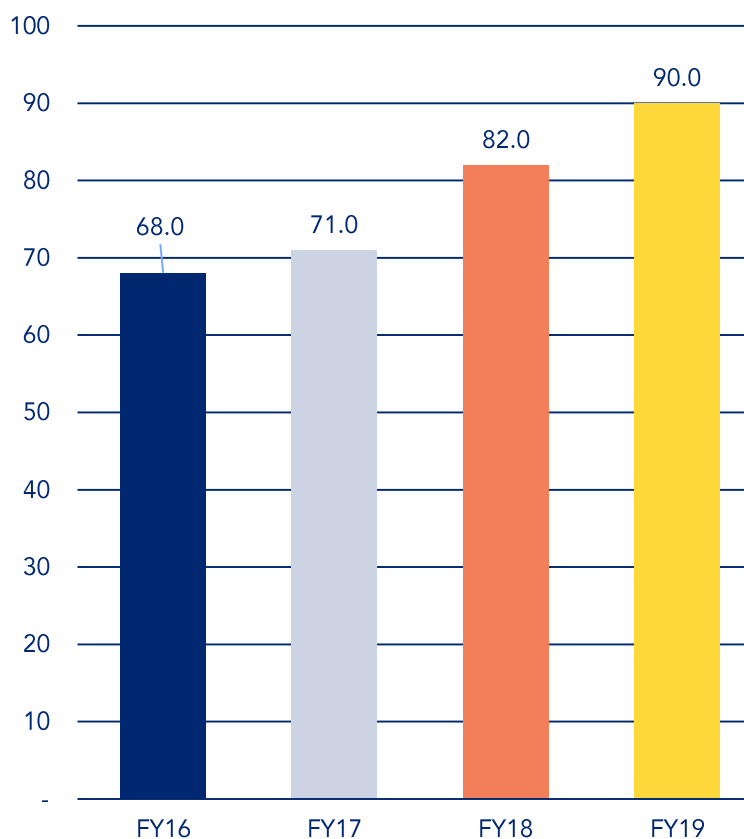
## EARNINGS PER SHARE

Cents



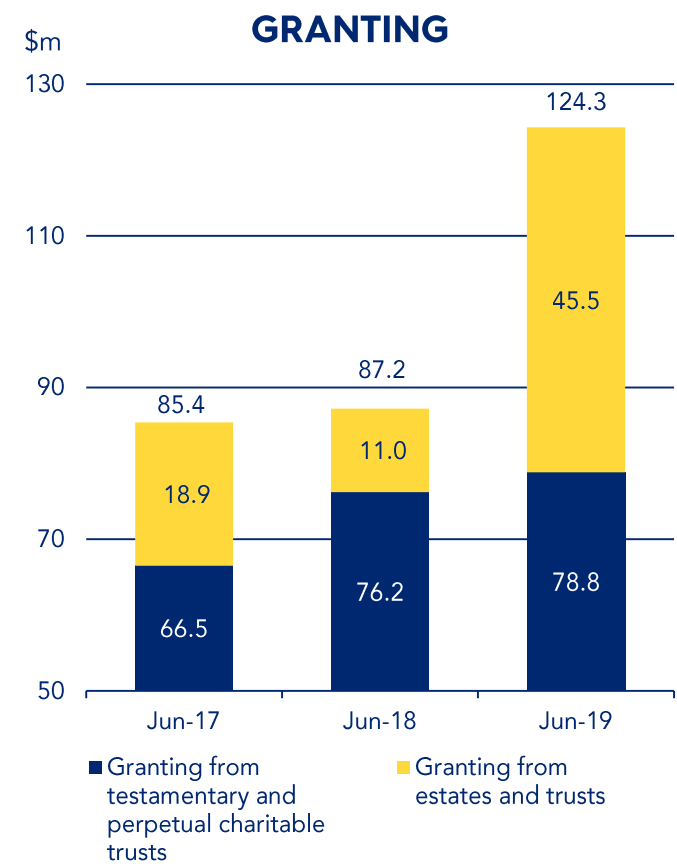
## DIVIDENDS

Cents

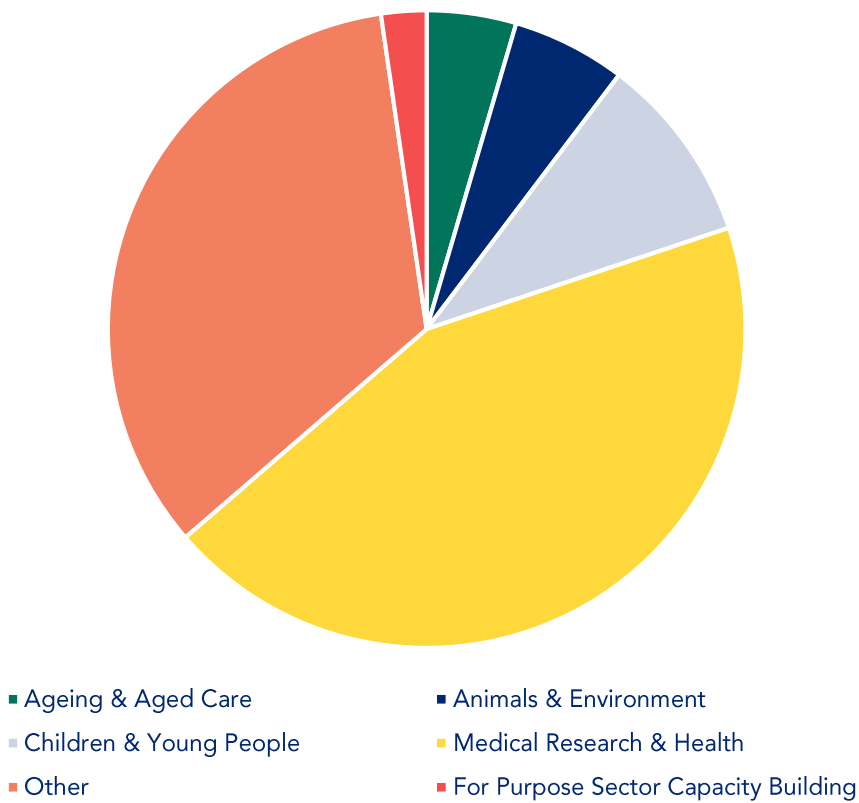


- Consistent lift in earnings per share and dividends
- Dividend payout ratio of 82.9%

# T4 – DEEPENING COMMUNITY IMPACT



**CHARITABLE TRUSTS BY GRANT TYPE**



- Annual granting program to ~3,000 beneficiaries
- 450+ hours volunteer leave

\* This includes \$78.8m from charitable trusts and \$45.5m in one off payments directly from Estates and Trusts



# SUBSTANTIAL LIFT IN FINANCIAL PERFORMANCE

- NPAT, revenue, earnings per share and dividend all higher
- Disciplined expense management
- Strong operating cash flow
- Margins increased despite volatile markets
- Acquisitions, partnerships delivering
- Continuing strong performance in changing environment
- Consistent underlying organic growth
- Poised for new growth phase, with pipeline of opportunities under development
- Significant investment to support this growth
- Delivering for all stakeholders



# GOOD MOMENTUM AND CLEAR GROWTH AGENDA

- Attractive industry fundamentals – Australia and overseas
- Committed and engaged workforce
- Leveraging core strengths and capabilities to grow organically and through partnerships and acquisitions
- Investing in people and technology to support growth and pipeline of opportunities
- Major appointments secured over the last quarter total almost \$19bn of funds and are expected to contribute \$2.5m in annualised revenue\*
- Expect 1H earnings growth to be relatively flat on PCP, principally reflecting additional investment to support longer term growth
- 2H earnings growth to improve as revenue from new business grows
- Encouraging outlook for the remainder of FY20 and beyond

\* Estimate of first full year only

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**THANK YOU**

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**TRUST.  
IT'S OUR  
BUSINESS**