



2021 Annual Meeting

28 October 2021

HEARTLAND

Agenda

- Welcome and formalities
- Chair's Address
- Chief Executive Officer's Address
- Shareholder discussion
- Voting and conduct of poll
- Other business

Board of Directors

Heartland Group Board



Geoff Ricketts
Chair and Independent
Non-Executive Director



Jeff Greenslade
Executive Director and
Chief Executive Officer



Ellie Comerford
Independent
Non-Executive Director



Sir Chris Mace
Independent
Non-Executive Director



Kate Mitchell
Independent
Non-Executive Director



Geoff Summerhayes
Non-Executive Director



Greg Tomlinson
Deputy Chair and
Non-Executive Director

Heartland Bank Board



Bruce Irvine
Chair and Independent
Non-Executive Director



John Harvey
Independent
Non-Executive Director



Shelley Ruha
Independent
Non-Executive Director

Jeff Greenslade
Non-Independent Director

Geoff Ricketts
Non-Executive Director

Kate Mitchell
Non-Executive Director

Strategic Management Group



Jeff Greenslade
CEO, Heartland Group



Chris Flood
CEO, Heartland Bank



Keira Billot
Chief People & Brand Experience
Officer (on parental leave)



Laura Byrne
Chief Operating Officer



Andrew Dixson
Chief Financial Officer



Michael Drumm
Chief Risk Officer



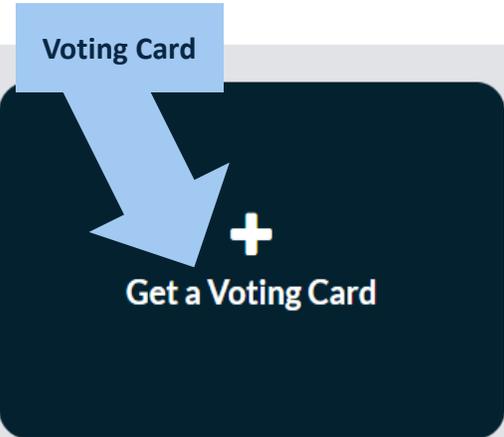
Lydia Zulkifli
Chief Digital Officer

Other formalities

- Proxies and postal votes received
- Meeting procedures
- Voting procedures and declaration of poll
- Notice of meeting
- Minutes of last Annual Meeting

Voting and asking questions

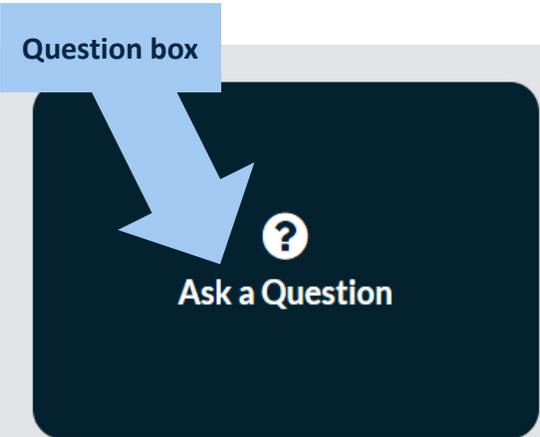
Voting Card



+

Get a Voting Card

Question box



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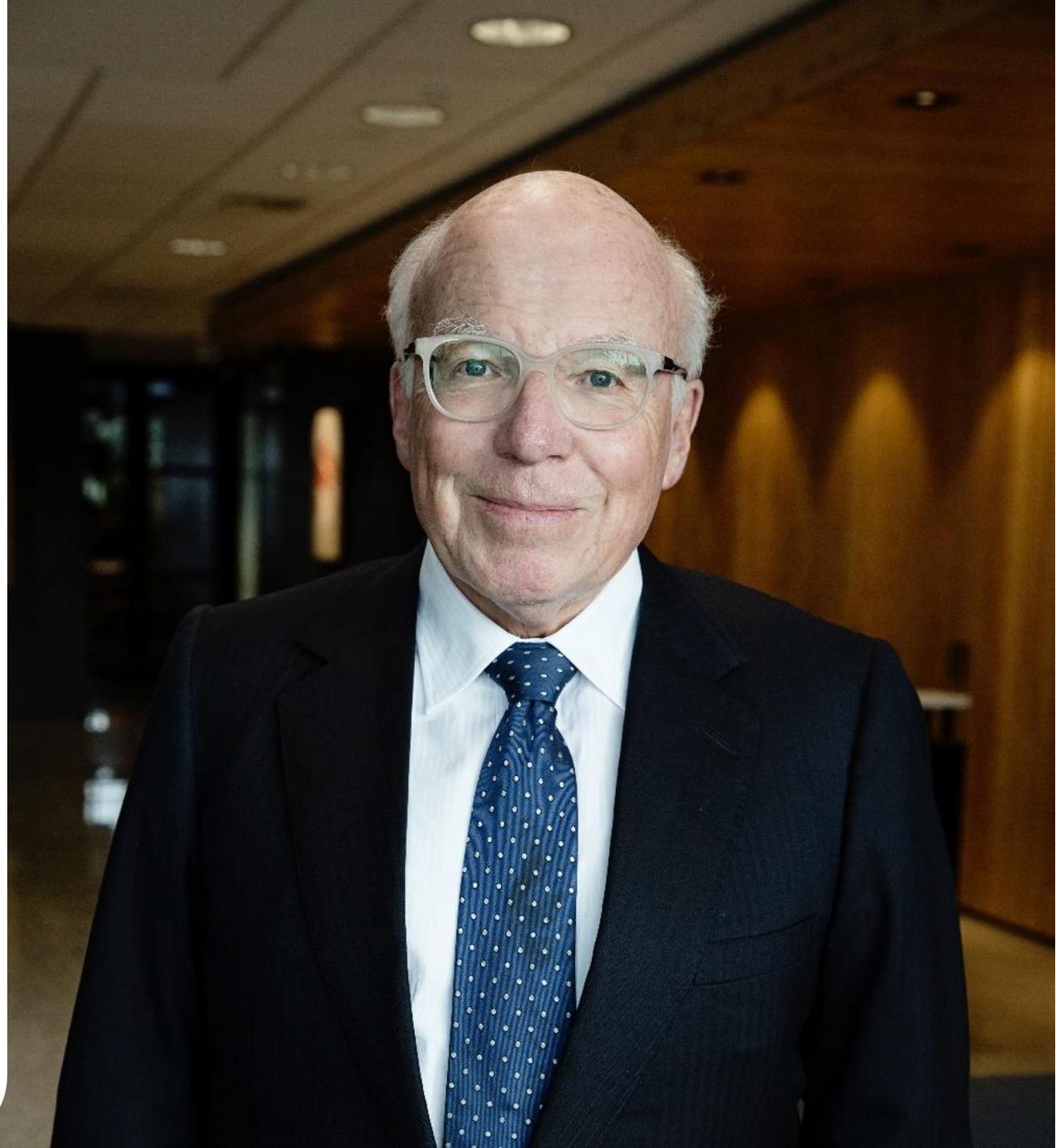
Ask a Question

Downloads

- Notice of meeting
- Annual report
- Previous questions

Chair's Address

Geoff Ricketts



The year in review



Grew finance receivables by 8.0% to \$5.0b



NZ Reverse Mortgages remains **Consumer Trusted** for the fifth year in a row



Australian Reverse Mortgages loan book surpassed A\$1b



FY2020 Greenhouse Gas emissions 17% lower than FY2019 baseline emissions



Significant progress towards digitalisation goals



Heartland Bank awarded **Canstar's 2021 Savings Bank of the Year** (fourth year), and awards for Direct Call and YouChoose accounts



Australian Reverse Mortgages awarded **Your Mortgage Magazine's 5-Star Lender Award** and **InfoChoice's Best Reverse Mortgage Award**

Credit rating

Heartland Group Holdings Limited

BBB

(outlook stable)

Heartland Bank Limited

BBB

(outlook stable)

Heartland Australia Group Pty Limited

BBB-

(outlook stable)

“ Heartland Bank remains one of only two Australasian banks to have no reduction or adverse change to its rating or outlook since January 2020 despite the economic impacts of COVID-19”

Shareholder return

- **Final dividend** of 7.0 cents per share
- **Total dividend** for FY2021 of 11.0 cents per share
- **Five year total shareholder return (TSR) of 107.2%**, compared with the NZX50 Index TSR of 81.9% in the same period¹

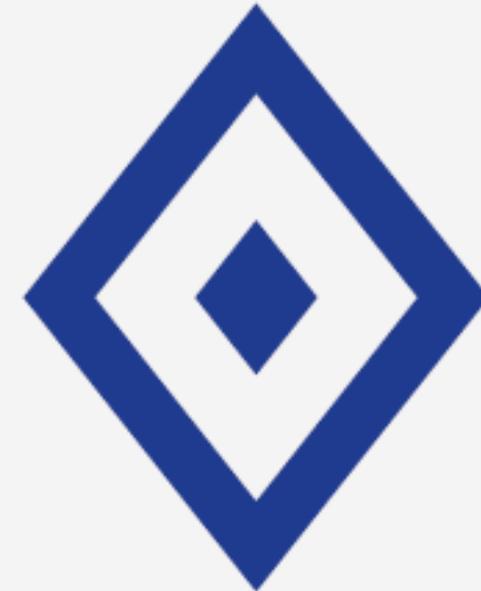
Dividend per share (cps)



¹ TSR for the period 20 August 2016 – 20 August 2021

Conduct and culture

- Continued to support customers affected by the impacts of COVID-19
- Completion of Conduct and Culture Work Plan, including the following initiatives:
 - internal digital resource to support good customer outcomes
 - improved tools and reporting for customer feedback
 - alert within core banking system to help identify customers experiencing vulnerabilities
- Heartland Bank became the National Foundation for Deaf and Hard of Hearing's first **Hearing Accredited Workplace**



Mahi tika

Do the right thing

Supporting our communities

The Heartland Trust is a registered charitable Trust which is independent from, but closely supported by, Heartland

“ During the year, the Heartland Trust made grants totaling \$448k to support our communities, including in the areas of education, sport and wellbeing”



Outlook

NPAT for FY2022

Noting uncertainties associated with the ongoing impacts of COVID-19, Heartland expects NPAT for FY2022 to be in the range of \$93m to \$96m

\$93m to \$96m

EXPECTED NPAT

Board changes

- Sir Christopher Mace
- Ellie Comerford
- Kate Mitchell
- Geoff Summerhayes

CEO's Address

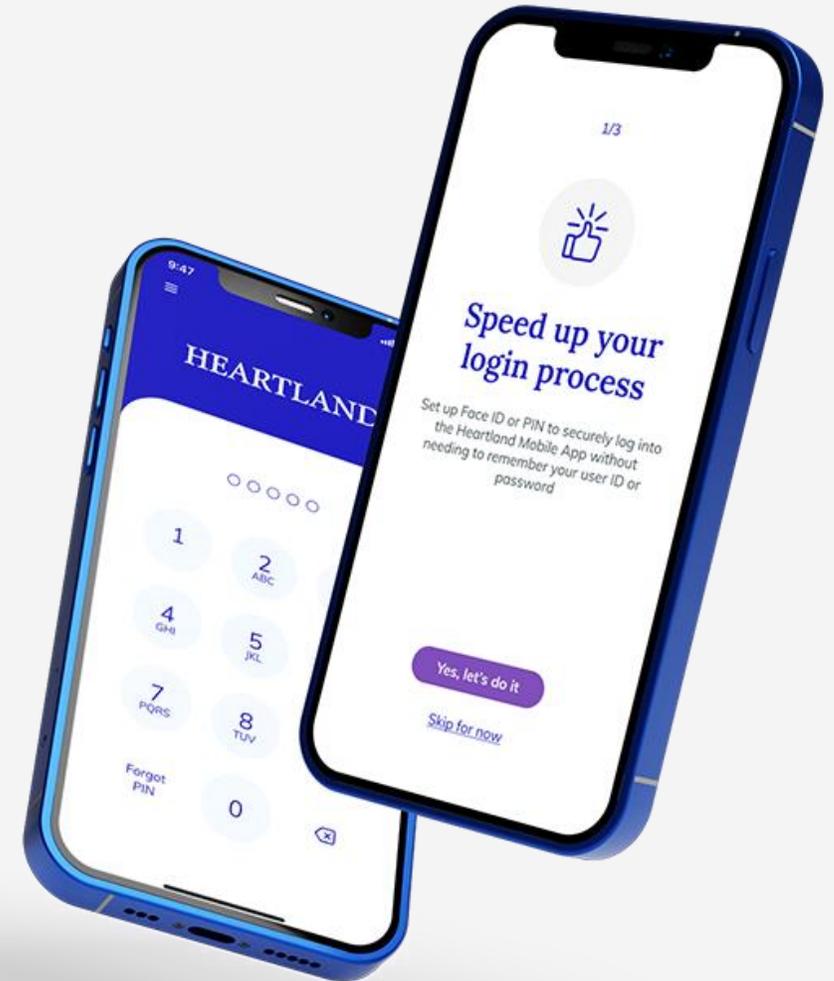
Jeff Greenslade



Digitalisation

“ Our aim is for Heartland to be one of the world’s totally digital banking groups by 2024”

- The future service proposition must be fast, immediate and accessible self-service
- Heartland Home Loans recently reached \$100m in loans – digital platform without telephony
- Digital platforms are now the primary channel for distribution and customer service



Sustainability

Environmental conservation

- Reduced vehicle fleet by 7%
- Reduced Greenhouse Gas emissions
- Initiatives underway to increase energy efficiency and improve waste management

Social equity

- Completion of Conduct and Culture Work Plan
- Heartland Bank became NZ's first Hearing Accredited Workplace
- Increase in number of employees who identify as Māori

Economic prosperity

- Ongoing digitalisation, automation and enhancements to product platforms and processes
- Cost savings passed on to customers through low rates
- 11.0 cps total dividend for the year

17%

FY2020 absolute reported Greenhouse Gas emissions were 17% lower than FY2019 emissions

7.1%

of employees identify as Māori, compared with 2% industry average

Financial performance & closing remarks

Financial performance

- COVID-19 lockdowns, supply-chain challenges, impacted flow of asset growth
- Remain on track to deliver FY2022 NPAT within guidance range of \$93m to \$96m
- Pleased with current business as usual growth in Reverse Mortgages, Motor, Asset Finance and Home Loans

Closing remarks

- Acknowledge the resilience of Heartland's employees, especially those in Melbourne who have endured more than 260 days in lockdown
- Sir Christopher Mace will continue in the new role of Kaumātua

Shareholder discussion



Voting



Other business





Thank you

For further information, please see
shareholders.heartland.co.nz

HEARTLAND