

Investor Discussion Presentation

November 2021



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Overview

Strategy

- Customer and industry leadership
- People
- Growth
- Strengthening the business
- M&A integration
- Financial performance

Market dynamics

- TAL has performed strongly in a challenging business environment
 - COVID-19
 - Interest rates
 - Regulatory environment
 - Competitor movement
- Market conditions stabilising

Performance

- TAL continues to deliver strong and sustainable financial performance
- TAL has a diversified business model and a leading position in all industry distribution channels

Looking ahead

- Completion of Westpac Life acquisition
- Collaboration with Dai-ichi Life to execute Mid-term Management Plan
- Industry leadership

Strategy

TAL

TAL's Strategy

Our Purpose

Everyday we work to help Australians live a life filled with choices, options and freedoms, no matter what happens.

Our Priorities



Customer & industry leadership

Leading the industry by getting it right for our customers, partners and our community.



People

Building a culture that is high performing, confident and creates exciting opportunities for our people.



Growth

Building on our existing business and finding new ways to help our customers and partners for the future.



Strengthening the business

Strengthening and simplifying what we do to be a more resilient business.



Integration

Bringing TAL and Westpac Life together to build a stronger and better business for the future.



Financial performance

Delivering long-term, sustainable financial performance so that we will be here to deliver on our Purpose and Ambition.

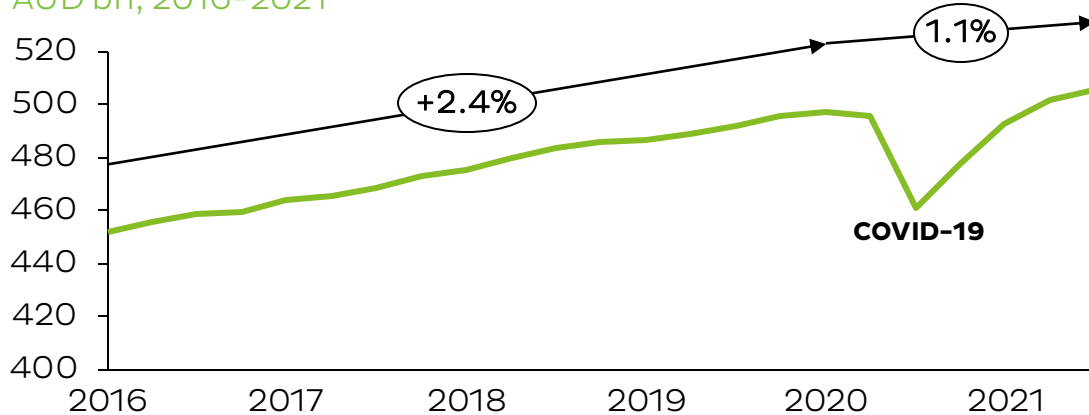
Market Dynamics

- COVID-19 impacts
- Interest rates and inflation
- Regulatory environment
- Competitive dynamics

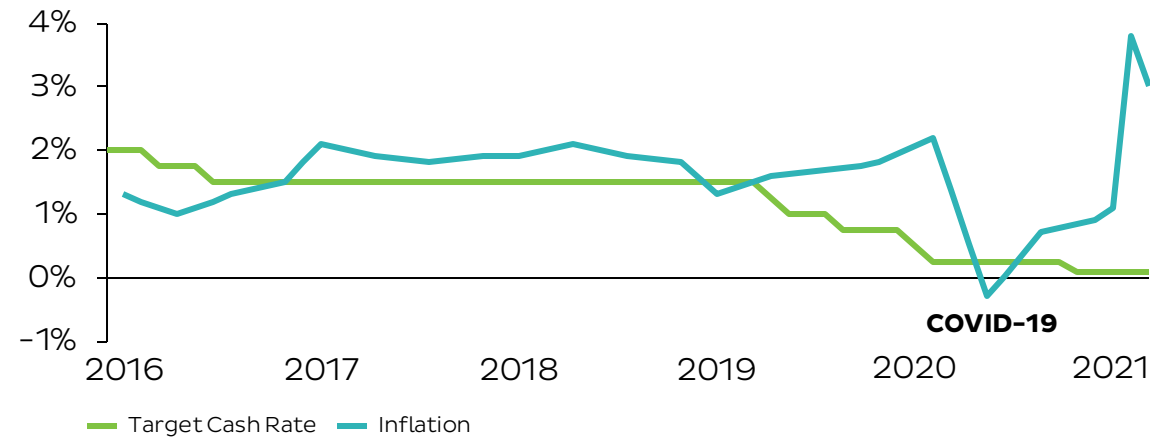
Recent economic conditions have proven to be disruptive, however TAL has responded well

Economic conditions

Australian GDP¹
AUD bn, 2016-2021



Australian cash rate² and consumer price index¹
%, 2016 - 2021



- Consistent economic growth
- COVID-19 impacted growth, however the Australian government responded well
- Expect growth to return within 2-4% in the near future²

- Low interest rate environment impacting investment revenue
- Increased volatility in inflation due to COVID-19
- Interest rate rises are likely to occur in late 2022 or 2023, dependent on inflation outlook and wages growth

¹Australian Bureau of Statistics. Australian GDP - chain volume measures, seasonally adjusted

²Reserve Bank of Australia

TAL has successfully achieved a sustainable leadership position in a highly regulated and consolidating market

The evolution of Australia's life insurance regulatory environment



Regulation and changing market conditions have been a catalyst for consolidation, enabling TAL to grow its inforce market share from 16% to 27%.

The Australian life insurance market has experienced significant consolidation over the past 5 years

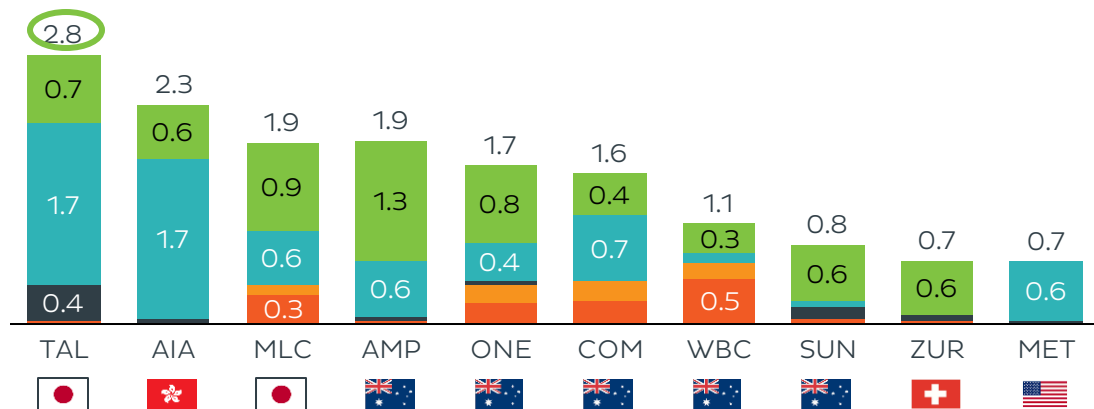
Globalisation of the Australian Life Insurance Market

Inforce premium by manufacturer^{1,2}

AUD bn, as at 30 Jun 2017

■ IFA ■ Group ■ Direct ■ Bank Direct ■ Bank Advice

2017

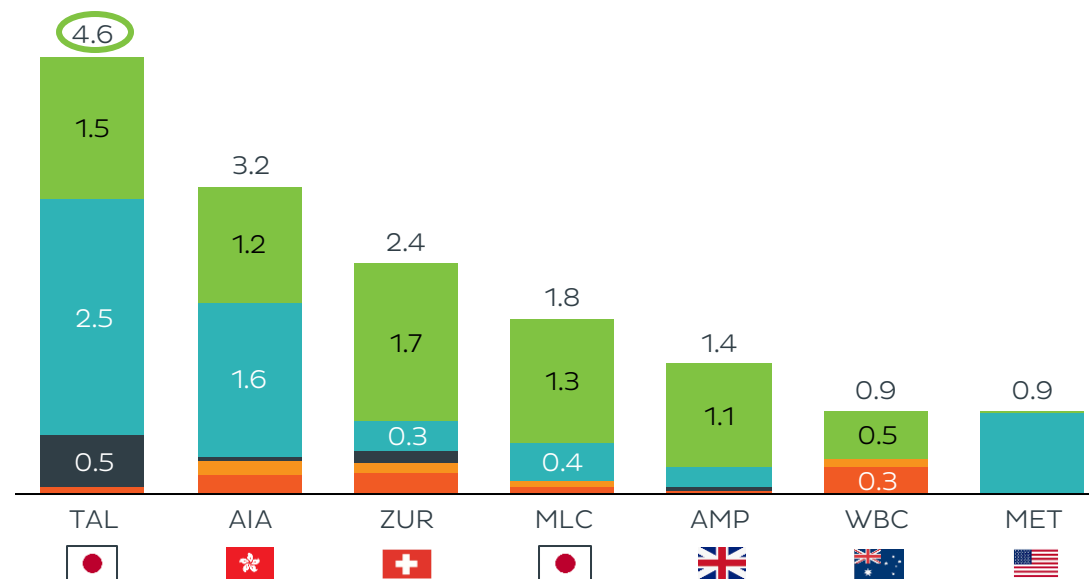


Inforce premium by manufacturer^{1,2}

AUD bn, as at 30 Jun 2021

■ IFA ■ Group ■ Direct ■ Bank Direct ■ Bank Advice

2021



- Competitive landscape was made up of Banks being vertically integrated with life insurance offerings.
- TAL's inforce premium was \$2.8bn (2017)

- In 2021, the top four life insurers (all foreign owned) now control 71% (76% post TAL's acquisition of Westpac Life) of the market.
- TAL's inforce premium is \$4.6bn (2021)

¹NMG Consulting

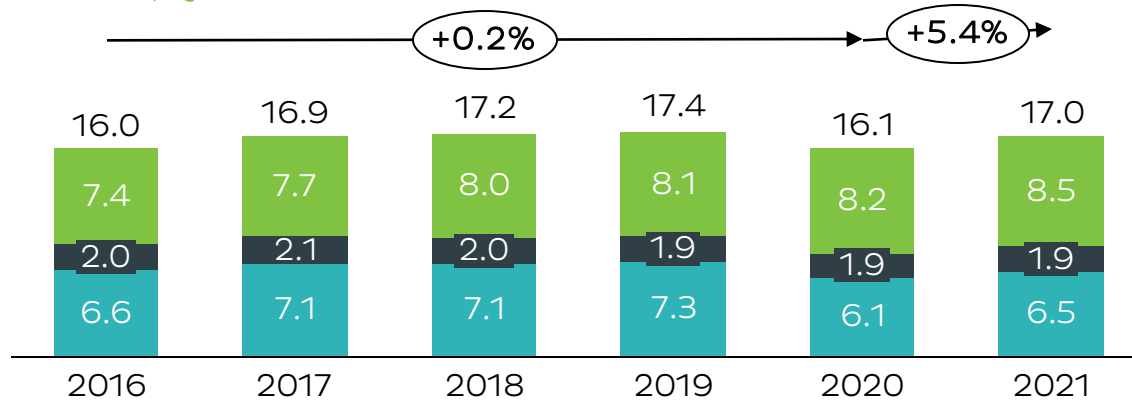
²Excludes smaller providers

Momentum is shifting in growth and profitability, and TAL is in a strong position to take advantage of this

Life insurance market dynamics

Historical market growth: inforce premium by channel¹

AUD bn, Q2 2016-21

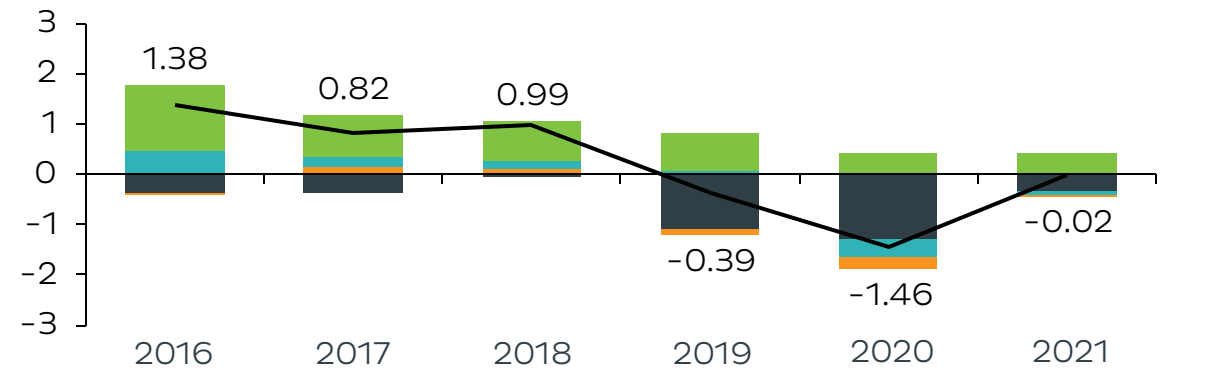


■ Retail ■ Partnership & Direct ■ Group

- Growth profile impacted by sustained regulatory change
- Active industry consolidation
- Growth expected to return¹

Sustainability (Net Income for risk products)²

AUD bn, FY 2016 – FY 2021



■ Individual Lump Sum ■ Individual DII ■ Group Lump Sum ■ Group DII

- Industry losses, primarily from Individual Disability Income Insurance (IDII)
- Regulatory reforms implemented
- New IDII products launched

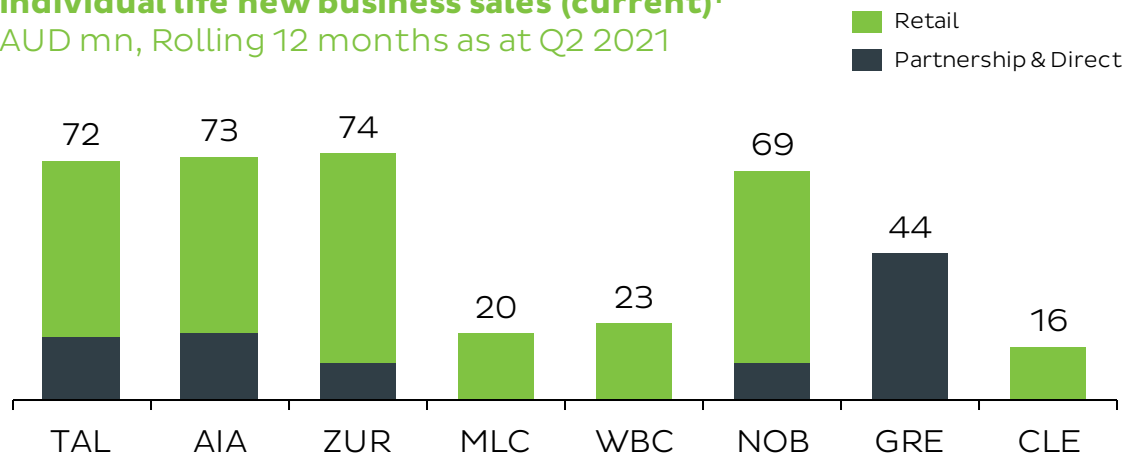
¹NMG Consulting

²Australian Prudential Regulation Authority Quarterly Life Insurance Performance Statistics (June 2021)

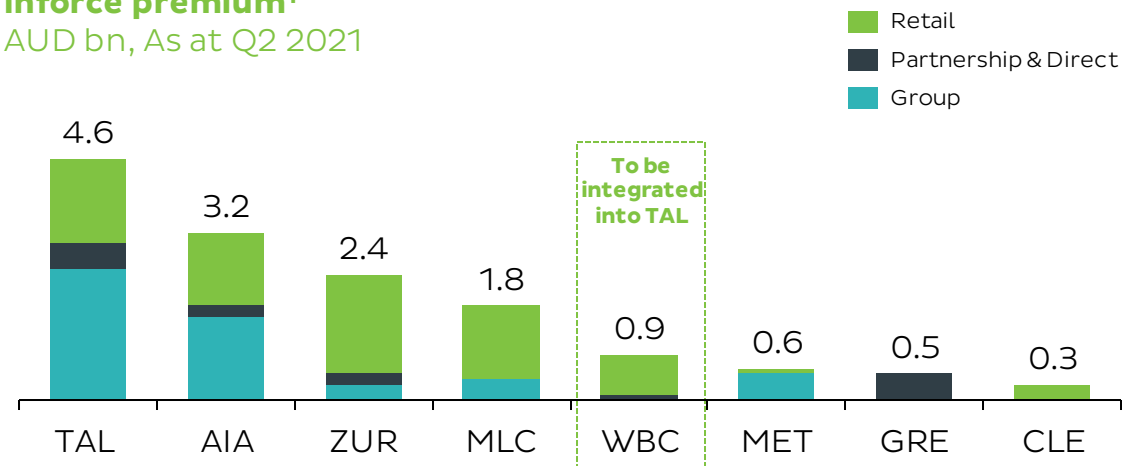
TAL has a strong, diversified market leadership position across its distribution channels

Competitive dynamics

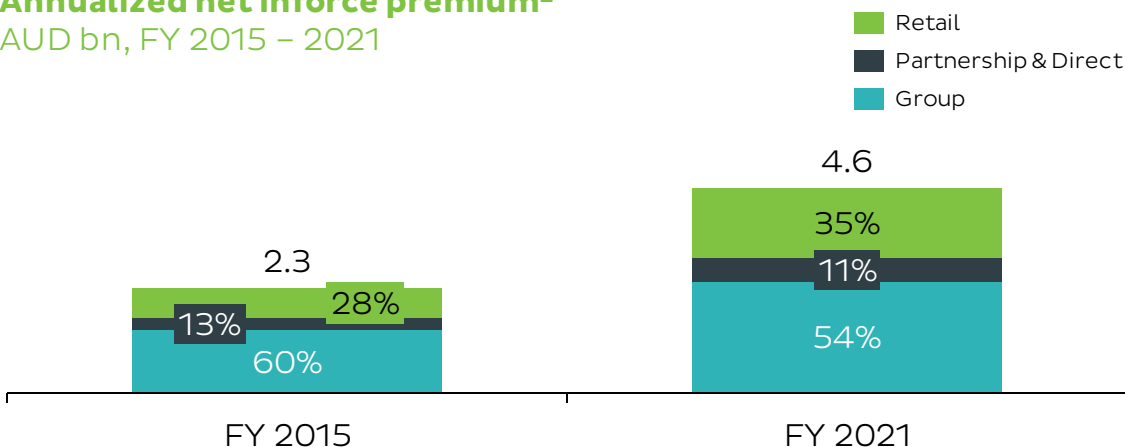
Individual life new business sales (current)¹
AUD mn, Rolling 12 months as at Q2 2021



Inforce premium¹
AUD bn, As at Q2 2021



Annualized net inforce premium²
AUD bn, FY 2015 – 2021



- TAL delivered strong performance doubling its inforce premium creating a market leadership position
- TAL has delivered a diversified set of distribution channels through both inorganic and organic means.
- TAL is focused on obtaining new customers through the acquisition of new distribution channels, ensuring we retain our competitive position in the Australian market.
- Compared to our largest 3 peers in the Australian market, TAL has performed strongly.

¹NMG Consulting

²TAL

Performance

TAL

TAL Highlights

 <p>4.5m customers</p>	 <p>\$2.7bn claims paid in 2020 to ~37,000 customers and their families</p>	 <p>8,000+ advisers and staff educated via TAL Risk Academy</p>
 <p>\$4.6bn inforce premium</p>	 <p>95% of received claims accepted</p>	 <p>No.1 position in the market</p>
<p>\$43m in individual life new business sales FY2021 2Q(YTD)</p>		 <p>150 YEARS of experience</p>
		 <p>Launching new retirement propositions</p>
		 <p>5,300 adviser partners</p>
		<p>15 major superannuation partners</p>
		<p>6 core strategic alliance partners</p>

TAL's focus on customers, distribution channels, products and digital capabilities delivers a competitive advantage



Focus on the customer

- Strong track record of paying claims (\$2.7 billion in 2020)
- Improving the customer experience through digital to address consumer needs
- Customer feedback embedded in KPIs; touchpoint NPS right through the value chain



Diversified channels

- Multi-channel capabilities across direct, retail, group and bancassurance
- Westpac deal set to secure TAL's market leadership positions in all distribution channels
- Lifebroker - leading aggregator platform



Products

- Accelerated Protection - award winning retail product
- Launch of new IDII products



Digital capabilities

- Large ongoing investments in CX/DX
- Claims Assist - digital claims tool
- CoverBuilder - digital cover builder capability
- TAL Risk Academy - adviser education



Leadership and execution

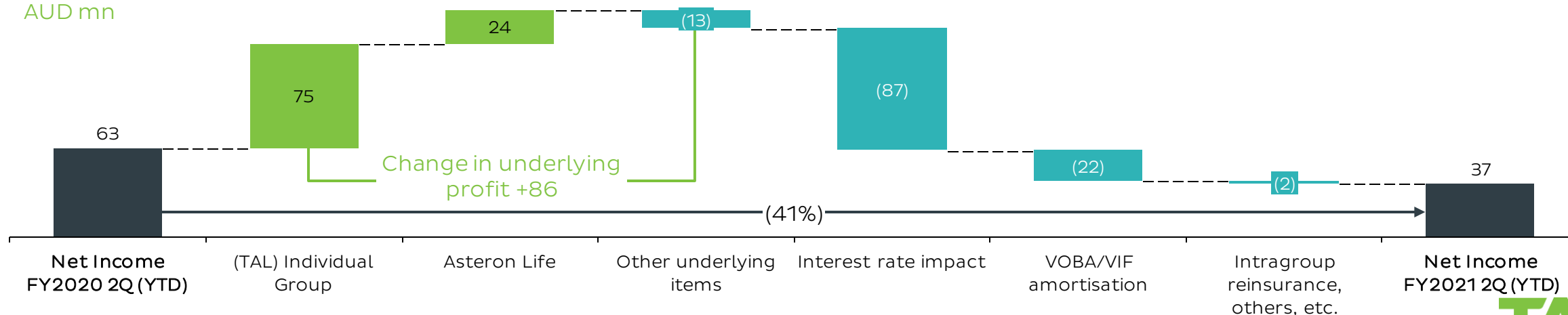
- Well established and strong leadership team with broad, and in-depth experience in insurance, banking and wealth management
- Strong relationship with Dai-ichi Life

2021 Financial Performance

(AUD in millions)	FY2020 2Q (YTD)	FY2021 2Q (YTD)	Change	(%)
Premium and other income	2,899	3,112	+ 213	+ 7%
Underlying profit (after tax)	66	152	+ 86	+ 130%
Individual	62	79	+ 16	+ 27%
Group	(22)	35	+ 58	-
Asteron Life	41	65	+ 24	+ 60%
Other underlying items	(14)	(28)	(13)	-
Non-underlying items (after tax)	(3)	(115)	(111)	
Interest rate impact on A&L	33	(53)	(87)	
VOBA/VIF amortisation	12	(9)	(22)	
RPS, sub notes costs	(8)	(7)	+ 0	
Intragroup reinsurance	(15)	(19)	(3)	
Others	(25)	(24)	+ 1	
Net Income (Loss)	63	37	(25)	(40%)

Net income (loss) year on year change

AUD mn



Commentary:

- Underlying profit of \$152m increased by 130%
 - Strong individual and group channel performance
 - Additional one-time contribution from Asteron Life after insurance liabilities valuation model change
- Net income of AU\$37m
 - Significant interest rates change (flattening of the yield curve) impacting the market valuation of expected future premium and claims cash flows in the distant future
- Following the completion of Asteron Life's integration process, its assets and liabilities have been transferred to TAL as of October 2021.

TAL will leverage its proven capability in translating acquisitions into value and future performance

Asteron Life

Metric	What have we achieved
IRR	10%+
Synergies delivered	\$75m
Integration delivery duration	Completed within 30 months, \$40m below budget
Cash contribution	\$100m (in FY2021)

Strategic objectives

- ☑ Enhances scale and capability and opens up important new distribution channels
- ☑ Provides a strong base for continued growth

Westpac Life

Metric	Promised
IRR	10%+
Synergies targeted	\$70m+ (by 2025)
Integration delivery duration	24 months
Cash contribution	\$135m (from FY 2024)

Strategic objectives

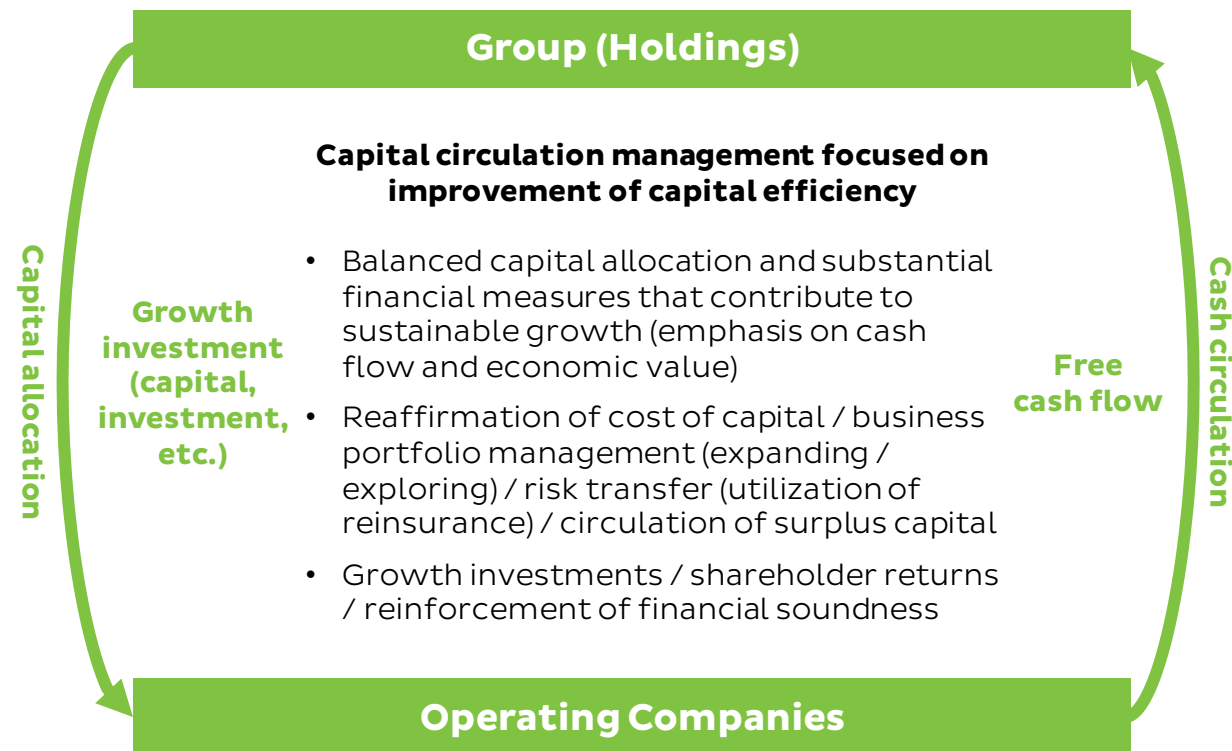
- ☑ Continue to diversify products and distribution channels
- ☑ Future growth opportunities through 20-year distribution arrangement
- ☑ Access to Westpac Bank's 13 million customers
- ☑ Aligned to Dai-ichi Life's mid-term management plan
- ☑ Exceeding the cost of capital and financial hurdle rates

We have a disciplined financial approach to M&A and proven integration capability which has delivered on our strategic objectives. We have the same leadership and execution team dedicated to the integration, and have a strong partnership through Westpac.

TAL is focused on delivering strong cash flows and returns to Dai-ichi Life as part of the mid-term management plan

TAL's commitment to Dai-ichi Life

- TAL's execution of inorganic and organic growth objectives means we are and will continue to be a cash flow positive provider to Dai-ichi Life over the next 10 years.
- TAL is also actively pursuing a number of ROE and intragroup reinsurance initiatives, with an intention to increase and recycle capital through to Dai-ichi Life.
- TAL's financial position has proven to be strong and resilient, ensuring our ability to generate sustainable profit and cashflow. These will be up streamed to Dai-ichi Life as part of the capital management strategy.



Looking Ahead

TAL

Good progress, positive outlook

Focus areas



Executing on Westpac Life deal for TAL and Dai-ichi Life



Working closely with Dai-ichi Life on key aspects of the mid-term management plan, including capital efficiency



As a leader in the market, we will continue to work closely with the market and regulators



Focused on growing and building out our distribution channels to ensure future sustainable growth for TAL (growing and remaining #1)

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