The Emerging Affluent

Evolving your value proposition with Netwealth

January 2021

The Emerging Affluent

Population	**1.2** million
Household wealth	**$2.2** trillion
Advice Propensity	**52%** to seek advice

Source: Netwealth 2021 Advisable Australian Research

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The Emerging Affluent

The Emerging Affluent has by far the highest average household income

Average household income

Emerging Affluent	$202,124
Emerging Mass	$84,226
Established Affluent	$122,193
Established Mass	$70,156

Emerging and Established Affluent groups have high and similar property values

Average residential property value

Emerging Affluent	$1,024,882
Emerging Mass	$522,934
Established Affluent	$962,469
Established Mass	$556,751

Average age for the Emerging Affluent is 37 years old

Average age profile in years

Emerging Affluent	37 years old
Emerging Mass	37 years old
Established Affluent	60 years old
Established Mass	61 years old

Emerging Affluents have the second largest investment portfolios on average

Average household investment portfolio

Emerging Affluent	$285,545
Emerging Mass	$31,804
Established Affluent	$442,864
Established Mass	$26,841

Emerging Affluents have signfi cantly more super than their similar aged peer group, the Emerging Mass

Average household superannuation

Emerging Affluent	$229,150
Emerging Mass	$90,331
Established Affluent	$412,582
Established Mass	$124,117

The Emerging Affluent are mainly Gen Y

Emerging Affluent by generation band

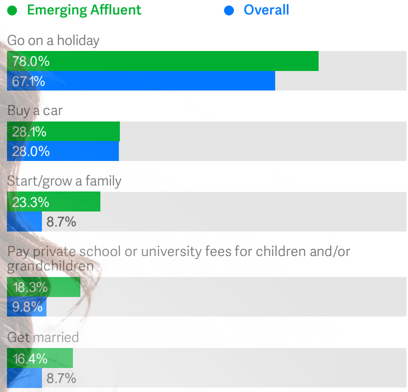
Generation Y (30-40 years old)	72.5%
Generation X (41-54 years old)	27.5%

Source: Netwealth 2021 Advisable Australian Research

The Emerging Affluent

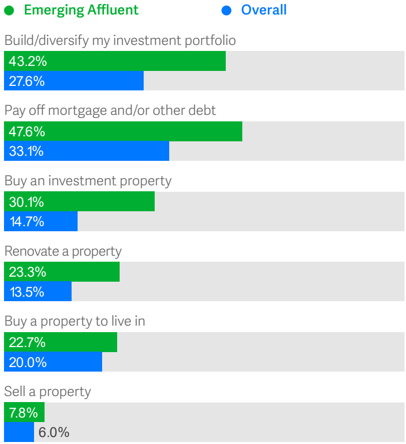
Emerging Affluents are younger and are more likely to be looking to take advantage of their wealth and grow their families

Which of the following financial goals are you actively working towards in the next three years?



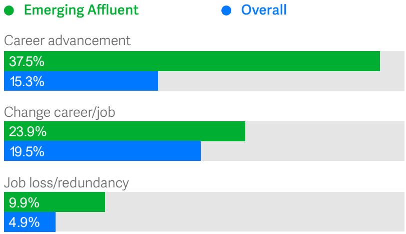
Emerging Affluents are focused on improving their wealth position through investing and reducing their debt

Which of the following financial goals are you actively working towards in the next three years?



Many Emergent Affluents have recently gone through, or expect to go through, career advancement or career changes

Which of the following life events are you expecting/preparing for in the next three years?



Source: Netwealth 2021 Advisable Australian Research

How Netwealth can help you capitalise on this opportunity

netwealth

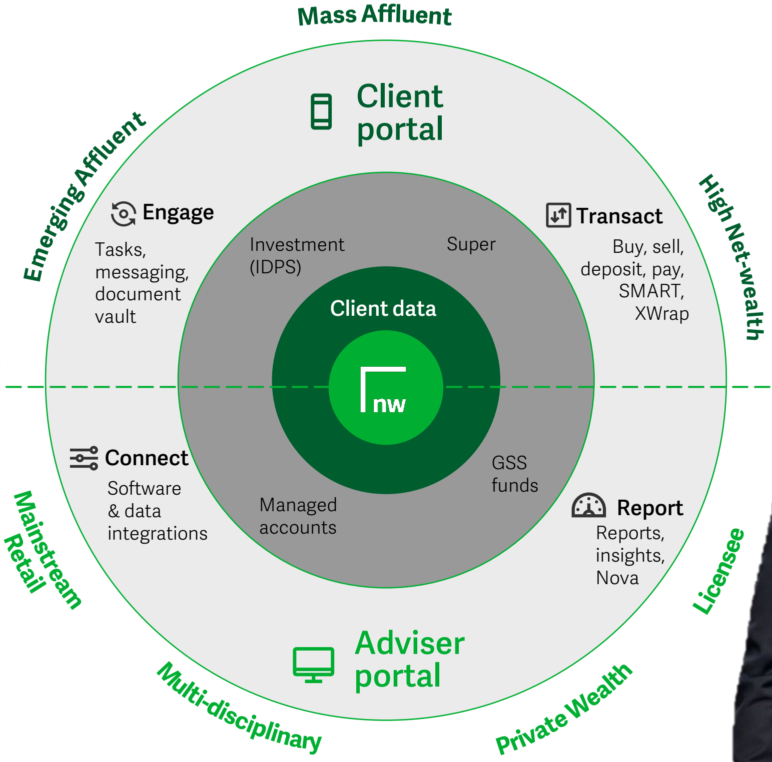
Your whole of wealth solution for Emerging Affluent clients and your business

Provide your clients with a customised experience delivered at scale.

Netwealth's single ecosystem combines an integrated client and adviser portal with online tools to help you streamline your business.

With customer data at the core, Netwealth is well placed to help you improve efficiencies and deliver the "Silicon Valley" experience expected by today's Emerging Affluents.

Investors



Wealth professionals

Transact

Using Netwealth, you and your Emerging Affluent clients will have access to a wide range of transaction capabilities to manage their super and investment portfolios.

- Buy, sell & monitor a range of assets, supported by sophisticated execution tools and processes.
- Make payments, transfers and deposits.
- Automate CGT outcomes with tax optimisation tools.
- Schedule ongoing cash management including regular payment, dollar cost averaging, re-investment and Auto sell down options.
- Scale with sophisticated rebalancing and ROA capabilities to manage multiple client portfolios. Watch video to learn more>

One platform supporting all the various needs of your Emerging Affluent client's investment needs

With Accelerator Plus, you can build a super or investment portfolio with access to ASX and international listed securities, managed funds, managed accounts, term deposits, and annuities.

- Invest in global companies that tech-savvy clients have grown up with like Apple, Alphabet, and Amazon.
- Invest positively with a range of ethically responsible ETFs and managed funds.

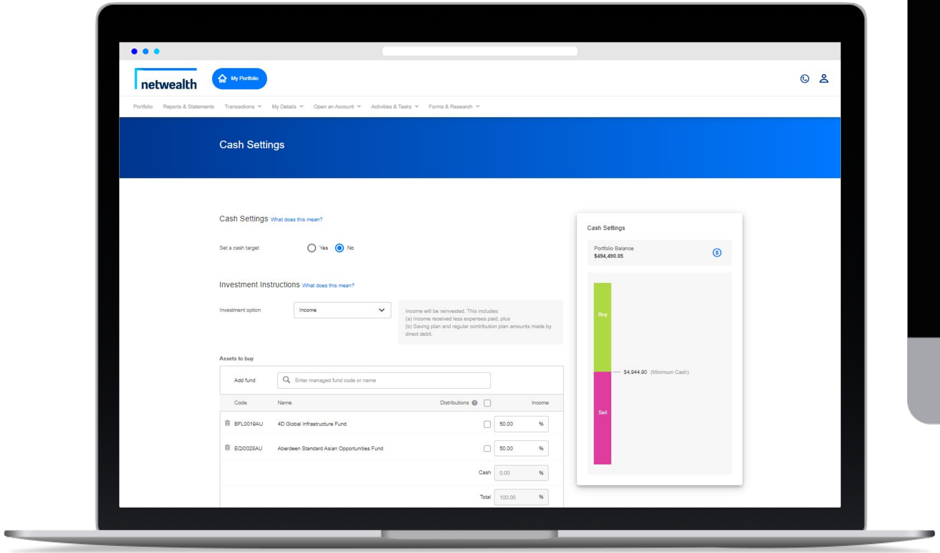
With Accelerator Core, build a cost-effective portfolio using Netwealth Global Specialist Series (GSS) managed funds & Managed Models.

Support these younger Emerging Affluents and the insurance needs with insurance from large providers

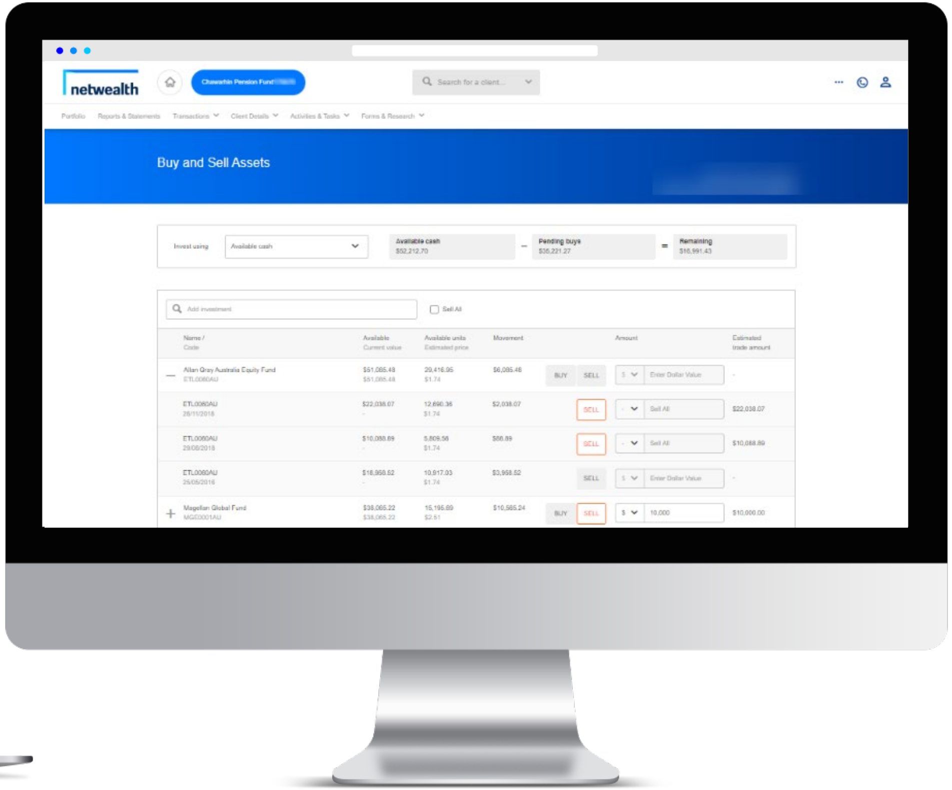
Protect your Emerging Affluent clients with our Group insurance or use LifeWrap to provide retail insurance policies that can be organised via Netwealth's Platform.

- Netwealth's Group provides Life, TPD and Salary Continuance cover with takeover terms available.
- Link retail insurance policies from AIA, TAL and Zurich and let Netwealth manage your client's premiums payment.

Mange super and investment portfolios with sophisticated, yet easy to use tools



Click to learn more>



Click to learn more>

Engage

Give your Emerging Affluents a feature rich online experience expected by today's tech-savvy individuals.

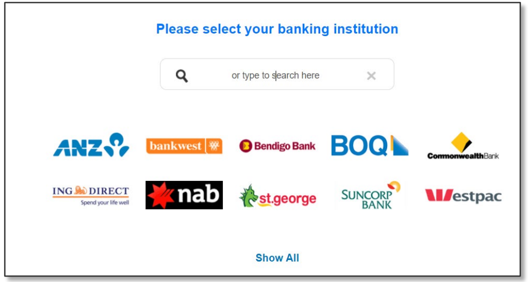
- Award-winning online and mobile portal*
- Intuitive dashboards with consolidated and customisable views across multiple accounts.
- Extensive range of portfolio reports, quick charts and statements.
- Enhanced security, with 2 factor authentication, SMS verification codes for payments, fraud detection and more.
- White labelled reporting and website options available

* Investment Trends: December Platform Competitive Analysis and Benchmarking Report, 2016-2020

Coming soon: An entirely new client experience

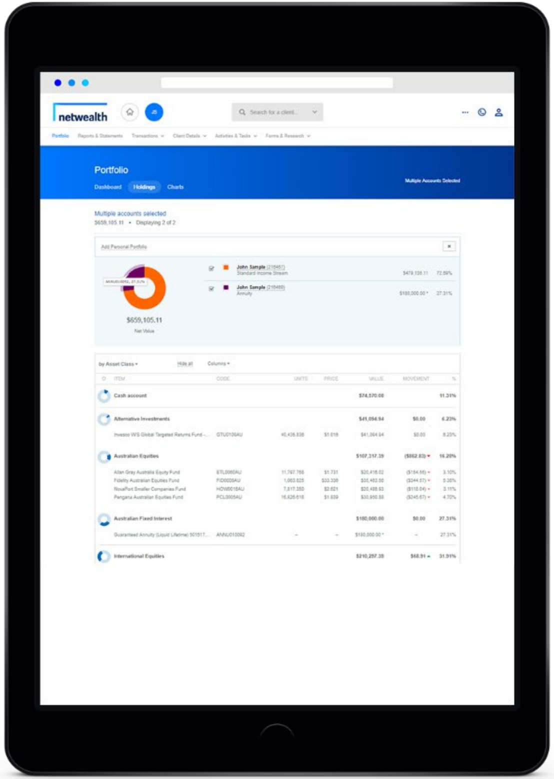
Our latest innovation is the upcoming enhancements to our client portal, with a mobile-first app and a breadth of features spanning beyond portfolio management.

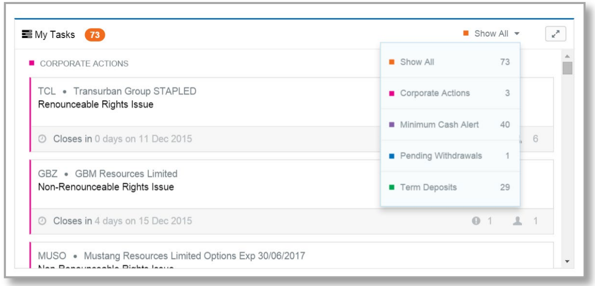
Award-winning online and mobile client portal



Data feeds from financial institutions

In addition to 170 banks and credit unions, we now also have super funds, credit unions, broking accounts and super funds.





My Task Alerts

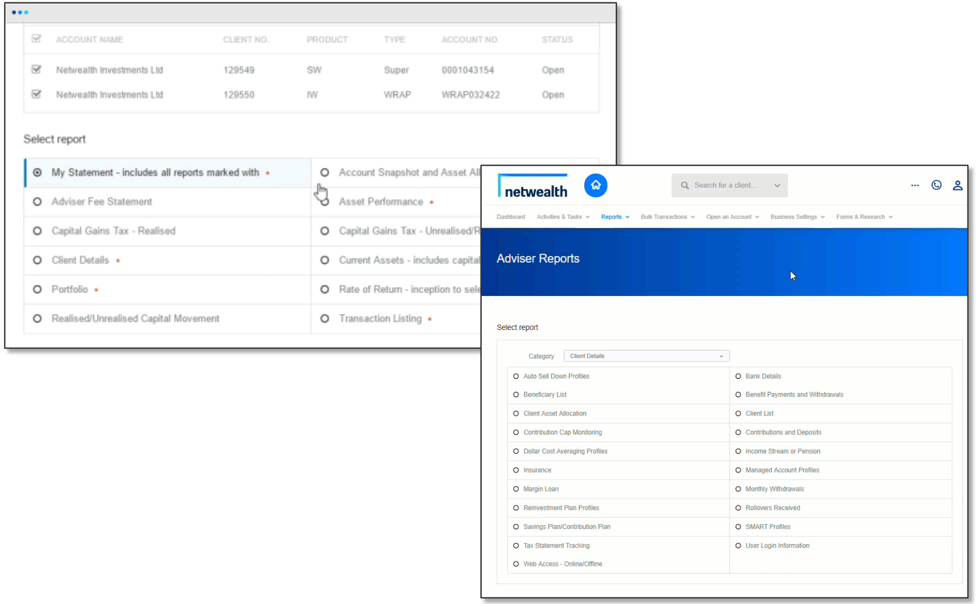
You and your clients can track the progress of a range of activities, like rollovers, withdrawals and corporates actions. Clients can approve adviser initiated tasks, like RoAs and fee proposals, online.

Report

With Netwealth you and your Emerging Affluent clients will have access to unapparelled reporting and analysis tools.

- Run a range of business focused reports to assist in the efficient operation of your business
- View consolidated client reporting across multiple accounts.
- Gain “Whole of wealth” views with external bank, super and share trading account data feeds.
- Visualise strategies and outcomes with a range of detailed and summary reports.

Reduce time spent with client reporting using our comprehensive suite of chart-based reports, that consolidate account information and can be white-labelled.



Visualise strategies and outcomes with a range of detailed and summary reports

Connect

Netwealth's open architecture approach to software development provides support for multiple integration options with a wide selection of apps, software and data sources.

- Automatic daily data feeds containing client account, holding and transaction information.
- Straight through Netwealth application process directly from Iress.
- Data integration with SMSF accounting software, including BGL and Class, to help your clients reduce fees and complexity at tax time.

Netwealth's strategy is to deliver

Best-in-class technology

Market leading, home grown platform, agile and tailored to client needs

Best-in-class service

Award winning, nimble and highly responsive – 'we make our clients look good'

Insights that matter

Provide deep insights to our clients and spot change that matters

Netwealth is a value driven business

See Wealth Differently

- Our purpose is to enable people to see wealth differently and discover a brighter future. At Netwealth we pride ourselves on living and breathing a set of shared values, impacting the way we work, communicate and live. Watch the view to learn more about Netwealth's values >

- We are a company that cares about the community and supports local organisations. In schools with Banqer, we support financial literacy, also helping younger Australians to see wealth differently. Learn more >

BANQER

Netwealth is agile and committed to grow with you

A well capitalised partner that understands your needs and continues to invest in products and services

We support your business with a multi-tier customer service framework

1. Key Account & Distribution Managers who are there to offer you total business support.
2. Training & Relationship Managers (TRM) who you can rely on for educating and training your staff.
3. Adviser Support Officers who are our Australian located email and phone-based team to help you with all of your support questions.
4. Technical Services Consultants who can answer your technical and legislation questions.

We have been ranked number #1 for customer satisfaction for eight consecutive years*

Investment Trends WINNER

2020 Planner Technology Report

Overall Satisfaction: Platform

Netwealth

* Investment Trends Planner Technology Report 2013-2020

Work with a business that is 100% dedicated to building the best wealth management platform for you and your HNW clients.

- 100+ IT staff dedicated to platform development, accounting for ~25% of headcount expenses.
- We rely on an agile development methodology, with scrum teams dedicated to platform feature development.
- We release major and minor enhancements to the platform every 2 weeks.
- We continually refresh our legacy technology to ensure we use the most modern tech to maintain our 'tech-stack'.

Disclaimer

The information in this presentation is general in nature. Any financial advice it contains is general advice only and has been prepared without taking into account the objectives, financial situation or needs of any particular person. The website content is not intended to be a substitute for professional advice, so before you act on it you should determine its appropriateness having regard to your particular objectives, financial situation and needs, and seek any professional advice you require. Before deciding whether to acquire, dispose of or hold an investment in a Netwealth product, you should obtain and consider the relevant disclosure document. Past performance of a product is not a reliable indicator of future performance.

Netwealth offers a range of products including Netwealth Super Accelerator (a product in the Netwealth Superannuation Master Fund), Netwealth Wealth Accelerator (an investor directed portfolio service), the Netwealth Managed Account and the Netwealth Global Specialist Series managed funds.

Features and benefits vary between products, and not all of our products include all features referenced on this website. To understand a Netwealth product's terms and conditions, please download and read the applicable Product Disclosure Statement or other disclosure document.

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