MEDIA RELEASE

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Funds announce agreement to enter exclusive merger due diligence

Two of Queensland's leading profit-for-member superannuation funds have signed an exclusive Memorandum of Understanding (MOU) to enter into merger discussions.

Energy Super and LGIAsuper will commence due diligence to explore the benefits for their combined 123,000 members of joining forces to form a $20billion, Queensland superannuation fund.

The MoU agreement follows a period of high-level discussions and an assessment of both businesses.

The two funds are now commencing a detailed process of due diligence to further explore the synergies and benefits to members identified in the preliminary analysis.

LGIAsuper Chair John Smith said both funds shared a decades-long history of serving Queenslanders, strong investment track record, members-first philosophy, open fund status, and a focus on personalised service.

"LGIAsuper's strategy over the past three years has been to look for opportunities to achieve the size and scale to continue to deliver excellent financial outcomes and outstanding service for our 75,000 members long into the future," Mr Smith said.

"While the process with Energy Super is in the early stages, the areas of alignment are encouraging and warrant further exploration to see if we could better deliver for all members as a combined fund."

Energy Super Chair Richard Flanagan said: "Energy Super is proud of its success in developing leading products and services for our members over many years. The opportunity to grow through a merger like this could help us create even better member outcomes through enhanced services and broader investment opportunities, while continuing to ensure competitive fees."

Detailed work on the due diligence over the coming months will seek to confirm whether it is in the interests of both funds' members to merge.

Ends

Energy Super: For more information please contact Bruce Ruddy (Rowland) on 0418 730 339.

LGIAsuper: Please contact Margaret Lawson (Cole Lawson Communications) on (07) 3221 2220.

About Energy Super

Energy Super is a strong profit-to-member superannuation Fund with more than 48,000 members who trust it to manage their $8 billion in savings.

As a proud Industry Super Fund with a 50-year heritage, Energy Super has always been a fund of choice for the energy industry. It now takes pride in being the Industry Super Fund for people who want to be treated as an individual.

Energy Super's vision is to be the super fund that focuses all its energy on members. And while it still has the energy industry at its heart, it is now open to members from many different industries.

With low fees, strong track record of consistent returns, and the choice of up to 11 investment options, it has been rated as a value-for-money fund with independent ratings agency SuperRatings for more than a decade.

Energy Super is managed by a dedicated team of professionals with considerable superannuation, energy sector and industry experience. It has a strong focus on providing members with a secure financial future and building their wealth for a comfortable retirement.

About LGIAsuper

LGIAsuper is a Queensland-based super fund that has provided trusted and reliable investment, advice, and insurance solutions for 55 years. Today, the fund looks after more than $13 billion in retirement savings for around 75,000 members.

LGIAsuper has been the superannuation fund for Queensland local government employees and their spouses since 1965 and from 1 July 2017 has been open to the wider community, with members from many different sectors and industries.

The fund leverages the advantages of its size and agility, with access to niche markets that generate solid long-term returns for members.

LGIAsuper has achieved the highest performance rating from independent ratings agency SuperRatings for the past 12 years. In 2020 LGIAsuper was a finalist in in two categories at the 2020 Chant West Conexus Financial Super Fund Awards: Super Fund of the Year and Member Services Best Fund.