



MEDIA RELEASE

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Profit-for-members fund completes first-of-a-kind retail acquisition

LGIAsuper has today (April 1) officially expanded its horizons, completing a first-of-its-kind acquisition of Suncorp's superannuation business.

The transaction has seen Queensland based profit-for-members fund LGIAsuper, acquire national retail fund Suncorp Portfolio Services Limited (SPSL), to deliver medium-term fee benefits to members.

With around \$31 billion in member savings under management, the new 250,000-member fund incorporates LGIAsuper, Energy Super – which merged with LGIAsuper in July 2021 – and SPSL, with plans ultimately to mutualise the retail fund and put it back in the hands of the membership.

LGIAsuper CEO Kate Farrar, who led the merger and acquisition, said completing the transaction will enable the fund to grow and thrive in an increasingly complex and competitive national market.

“The acquisition of the SPSL business gives us the combined size and scale to deliver efficiently for all our members, while maintaining a personal and boutique member experience that differentiates us from the growing number of superannuation mega-funds,” Ms Farrar said.

“This transaction is unique in that we are a profit-for-members fund acquiring a retail fund, with the ultimate intent being to mutualise the retail fund and put benefits in the hands of all members.

“The superannuation industry is consolidating rapidly, with merger and acquisition activity driven by a need to lower costs and improve service offerings to remain competitive and ensure we are acting in members’ best interests.

“We have a clear vision for our future together: to achieve a sustainable fund size that maintains our status as a boutique and personal superannuation provider whilst enabling us to deliver very competitive returns and fees,” she said.

Suncorp Wealth division’s Executive General Manager James Gyton said his appointment to the fund’s leadership team would assist with the integration.

“This is an exceptional opportunity for us to bring together the experience and knowledge of people from not only two teams but two fund types to enable us to deliver a unique offering that provides members with the best possible outcomes,” Mr Gyton said.

Mr Gyton will join the fund’s executive team as the Chief Operating Officer for the SPSL business.

Ms Farrar said Suncorp’s superannuation members would not see any short-term changes to services, with LGIAsuper and Energy Super initially operating the Suncorp fund as a standalone entity under the Suncorp brand.

Ms Farrar said the investment, which was funded from LGIAsuper's reserves, had a superb payback period which was well below equity market price / earnings ratios.

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About LGIAsuper: Newly merged superannuation fund LGIAsuper and Energy Super have formed a strong, Queensland-based superannuation fund of around \$24 billion, managed on behalf of approximately 123,000 members (as of 30 June 2021). For more information call LGIAsuper on 1800 444 396 or call Energy Super on 1300 436 374.

About Suncorp: Suncorp Group offers insurance and banking products and services through some of Australia's and New Zealand's most recognisable brands. With a heritage dating back to 1902, we have grown to become an ASX-listed company with more than 13,000 people and \$99 billion in assets as at 31 December 2021. Suncorp Group comprises three core businesses: Insurance (Australia), Suncorp Bank and Suncorp New Zealand.