

MEDIA RELEASE

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LGIAsuper reduces administration fees by a third

Profit-for-member superannuation fund LGIAsuper is reducing its weekly member administration fee by a third this month, delivering on a promise to maximise savings for its 75,000 members.

The fee reduction, from \$1.50/wk (\$78/year) to \$1/wk (\$52/year) is a result of the fund's administration partnership with global technology company Tech Mahindra, which was implemented in 2019 to reduce the cost of operating the fund.

LGIAsuper Chief Executive Officer Kate Farrar said delivering the reduction in member fees while improving service had been a major priority for the fund in the past 12 months.

"In an environment where markets have been volatile and investment performance has been constrained across the industry, we are proud to give our members good news and tell them that administration costs are going down," she said.

"To simultaneously deliver member fee reductions and improve services and satisfaction is an achievement we are really proud of."

Ms Farrar said over the past 12 months, LGIAsuper held 93 seminars and webinars with 2,028 attendees (up 138%), met 7,052 members and guests through its workplace visits program (up 38%), and provided 3,667 super health checks (up 32%).

She said the fee reduction had been delivered within the timeframe the fund flagged with members when announcing the Tech Mahindra partnership in 2019.

"We introduced a weekly fee in July 2019, at the same time as we reduced our variable administration fee, to make our structure for administration costs fairer for members," she said.

"This is the result of the fund setting in place a very robust strategy to reduce costs, our team successfully delivering on the strategy, and us passing those savings straight through to members at a time when they really need it.

"As a members-first fund, we want to ensure members benefit from our lower costs and we recognise that any reduction in fees could make a big difference over the long-term."

Taking effect on 1 November, LGIAsuper also implemented changes to its strategic asset allocations including reduced exposure to property, traditional bonds and international shares, and increased allocations to infrastructure, cash and Australian shares.

"At the same time as we have delivered on service and administration costs, we have worked to ensure our members receive the best available growth and yield from our investment options," she said.

In the SuperRatings Fund Crediting Rate Survey for the Financial Year to September 30, 2020, LGIAsuper's "MySuper Under 75", "Aggressive", "Diversified Growth", "Balanced", "Cash" and "Australian Shares" investment options were all Top 5 performers in their categories*.

In October 2020, LGIAsuper announced that it was investigating a merger with Energy Super, a move designed to further reduce member fees and improve performance in coming years.

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About LGIAsuper: LGIAsuper is a Queensland-based super fund that has provided trusted and reliable investment, advice, and insurance solutions for more than 50 years. It looks after approximately \$13 billion in retirement savings for around 75,000 members (as of 30 June 2020). For more information on LGIAsuper's investment strategy, call 1800 444 396 or visit www.lgiasuper.com.au.

* You can refer to the SuperRatings Fund Crediting Rate Survey September 2020 ([link](#)) to obtain further information about these results, including how they calculate investment returns. The information is current as at the date of the SuperRatings Survey. LGIAsuper pays a fee to some research houses for surveying our funds. Investment returns are only one factor to be taken into account when deciding whether to invest. Past performance is not a reliable indicator of future performance.