

ASX Release – 10 December 2024

Insignia Financial unveils plans to transform Master Trust business

Insignia Financial Ltd (ASX: IFL) has entered into an Initial Agreement with global technology and fund administration leader, SS&C Technologies (SS&C) which is intended to simplify and transform its Master Trust business, and result in an improved customer experience and cost efficiencies.

Upon signing the final agreement, the two companies will enter into a partnership, with SS&C proposed to provide administration and technology services for Insignia Financial's Master Trust business. A final binding agreement is expected to be completed during the first quarter of 2025.

The outcome follows a detailed review of Insignia Financial's Master Trust strategy, during which a range of various options were considered to simplify the multiple technology platforms and administration operating models into a single platform and operating model.

Once finalised, Insignia Financial intends to subcontract a range of administration and technology functions for Master Trust to SS&C. This will include the transition of more than 1,000 people, as well as technology from Insignia Financial to SS&C, to ensure a continuity of service, operations and product knowledge for our members. Insignia Financial will continue to provide servicing and administration functions, including claims and complaints. Subject to signing the final binding agreement, it is intended that Insignia Financial will transition these functions to SS&C mid-2025, and once in their environment the two organisations will work closely together to transform Insignia Financial's multiple technology platforms and operating models to one, with SS&C's registry solution Bluedoor at its core.

Insignia Financial's CEO Scott Hartley said: "This is an exciting announcement for our people, customers and shareholders, and the next step in our vision to become Australia's leading and most efficient wealth management company by 2030.

"As I've said before, in our Master Trust business we have size but not scale. This arrangement will help us convert our size into meaningful scale benefits for our more than one million members over the next few years through lower cost-to-serve, competitive fees for members, and industry leading service outcomes. Members will benefit from an enhanced experience delivered by contemporary technology.

"By transitioning Insignia Financial's employees to SS&C, our members will have continuity of service, operations and product knowledge.

"Following the successful separation from NAB last month, this is the next step in simplifying our Master Trust business and a critical step to achieve our targeted net \$200m reduction in base opex by FY30. It is anticipated that this model will deliver a simpler operating environment for our Master Trust business, allowing us to focus on areas such as product, retirement offer, investment performance and returns, advice and guidance, while keeping key service and administration functions such as claims and complaints.

"SS&C is one of the world's largest fund administrators and a leading technology provider, and we selected them as our partner for their global expertise, technology and business processing capabilities which will allow us to deliver superior member outcomes. Our members will also benefit from their continual investment in improved capability and the speed at which they're able to deliver increased benefits for members. For our people transitioning to SS&C this also presents

a great opportunity to be part of a large global enterprise with ambitions to be a leading super administrator in the Australian market, and the career growth and development opportunities that come with that.”

Bill Stone, SS&C Chairman and CEO, said: “We are pleased to partner with Insignia Financial in this transformative collaboration. As a leading global fund administrator, our goal is to enable our customers to reach their business objectives at scale. We look forward to working with the team to deliver superior outcomes for Insignia Financial’s members and bring significant cost savings and efficiency to their Master Trust business. As a result of this partnership, we will also acquire significant capabilities and a talented team of operations, technology, and delivery people who can help us achieve our ambition to become the leading super fund administrator in Australia.”

The two parties will now continue joint discovery, planning and approvals, with the aim to sign a binding Master Services Agreement (MSA) in the first quarter of next calendar year.

The anticipated cost to transition to SS&C and simplify the Master Trust business is included in the \$60-80m p.a. average reinvestment spend across FY26-30 announced at Insignia Financial’s Investor Day in November 2024.

To note: Insignia Financial and SS&C have entered into an Initial Agreement only and there is no certainty that the negotiations between the parties will result in the entry into a binding MSA or that any transaction between the parties will proceed.

This announcement was approved for release by Scott Hartley, Chief Executive Officer, Insignia Financial Limited.

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About Insignia Financial Ltd

With origins dating back to 1846, today Insignia Financial is a leading Australian wealth manager. Insignia Financial provides financial advice, superannuation, wrap platforms and asset management services to members, financial advisers and corporate employers.

Further information about Insignia Financial can be found at www.insigniafinancial.com.au

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