

IOOF Holdings Ltd
ABN 49 100 103 722
Level 6, 161 Collins Street
Melbourne VIC 3000

GPO Box 264
Melbourne VIC 3001
Phone 13 13 69
www.ioof.com.au



24 November 2020

Godfrey Pembroke media release

IOOF Holdings Ltd (IOOF) notes the media statement dated 20 November 2020 and referred to in an article in today's Professional Planner from the Practice Development Group Pty Ltd (PDG), an incorporated body comprising a board of Godfrey Pembroke peer-elected advisers to represent the interests of advisers within the Godfrey Pembroke network, which notes their intention to transition to a new Godfrey Pembroke branded license under IOOF.

This follows the announcement that IOOF is set to acquire MLC, subject to regulatory approvals. The PDG media statement is attached below.

- ENDS -

This announcement was approved for release by the CEO of IOOF Holdings Ltd.

Enquiries:

Rachel Scully
Head of Investor Relations
IOOF Holdings Ltd
P: +61 3 8614 4530
M: +61 438 601 942

E: rachel.scully@ioof.com.au

Media enquiries:

Louise Watson
Managing Director
Symbol Strategic Communications
P: +61 2 8011 0591
M: +61 419 185 674

E: lwatson@symbolstrategic.com.au

About IOOF Holdings Ltd

IOOF has been helping Australians secure their financial future since 1846. During that time, we have grown substantially to become one of the largest groups in the financial services industry.

IOOF provides advisers and their clients with the following services:

- **Financial Advice** services via our extensive network of financial advisers;
- **Portfolio & Estate Administration** for advisers, their clients and hundreds of employers in Australia; and
- **Investment Management** products that are designed to suit any investor's needs.

Further information about IOOF can be found at www.ioof.com.au



Chairman Contact details:
Level 2, 11 Mounts Bay Road
PERTH WA 2000
Phone: 08 9481 2366

20 November 2020

Media Statement

The majority of the Practice Development Group Pty Ltd (PDG), an incorporated body comprising a board of Godfrey Pembroke (GPL) peer-elected advisers to represent the interests of advisers within the Godfrey Pembroke network, have indicated their intention to transition to a new Godfrey Pembroke branded license under IOOF at completion. This follows the announcement that NAB will sell MLC to IOOF, subject to regulatory approvals, and is subject to the sale proceeding.

The PDG believes the new IOOF Godfrey Pembroke adviser-led opportunity will be attractive for those advice practitioners who share similar client first values. The Godfrey Pembroke community is highly collegiate and values the practice synergies and scale benefits able to be delivered to our clients, together with the sharing of best practice solutions. The GPL community looks forward to partnering with IOOF who have been respectful, open and supportive throughout this process.

By way of background, following IOOF's MLC acquisition announcement, the Practice Development Group Pty Ltd (PDG) was tasked by its members to conduct due diligence on whether IOOF's proposal to GPL would be a suitable fit for the group, as well as reviewing alternate licensee solutions.

The PDG's primary objective was to find an "adviser led" solution that would enable the group to deliver on GPL's "client first" culture. The members signalled a strong desire to retain the GPL community and for the PDG to remain intact as a representative body.

Following an exhaustive due diligence process, detailed findings were presented to its membership to allow individual firms to determine their pathway forward. Following a survey of member firms, we can advise that the vast majority of PDG members, including all members of the PDG board bar one, have indicated their intention to transition to a new Godfrey Pembroke branded license under IOOF.

Bernard Schortinghuis, PDG Chair, said: "Throughout the process, IOOF have been open to considering new ways to approach an adviser led licensee solution, tailored to the complex and high net worth space.

"The new licensee offer which is considered to be unique in the market, has been designed collaboratively with IOOF. As an adviser led institutional boutique, it ultimately proved to be an excellent fit across both quantitative and qualitative criteria."

Practice Development Group

Growing together with a focus on practice unity, accountability and professionalism
Level 2, 11 Mounts Bay Road, PERTH WA 2000 ABN: 58 099 844 336 ACN 099 844 336



Features include:

- Importantly, the GPL brand and community will be maintained, under its own AFSL.
- GPL will have a high degree of autonomy via the AFSL mechanism to shape the future state including client solutions that align with the GPL businesses and clientele.
- GPL will operate under current frameworks enabling a less disruptive transition.
- Initially, we aim to capture some quick wins to create greater efficiency and client engagement through leading tech solutions such as Wealth Central and though improved Xplan processes.
- The current PDG structure will continue. The PDG have veto rights on practices and advisers that can join the license to ensure cultural alignment and high standards are maintained.
- An MDA authority is in place on the new license equivalent to the existing GPL MDA authority.
- An AFSL non-executive board seat by a PDG Director on the AFSL.

Harry Mantzouratos, PDG Director, said, "IOOF was the only licensee to offer this which was considered to be a key factor in ensuring that the dialogue between the PDG and Licensing board is fluid and transparent. Often a criticism of large institutional licensees is that the voice of the adviser is missing when key strategic and operational decisions are made. The AFSL board seat addresses this as the advisers are represented at the licensee board level."

The PDG has long been a key success factor for GPL and this process has further reinforced the importance of the body, which has enabled us to develop a unique solution that no individual practice could have achieved independently.

Ends

Issued by the Practice Development Group Board

Harry Mantzouratos:
0412 495 979

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Growing together with a focus on practice unity, accountability and professionalism
Level 5, 320 Adelaide Street, Brisbane, QLD, 4001. ABN: 58 099 844 336 ACN 099 844 336