

ASX Release – Wednesday 13 November 2024

Insignia Financial unveils strategy to lead wealth management industry

Insignia Financial will today outline its strategy to become Australia's leading and most efficient wealth management company by 2030 through technology and product innovation, cost optimisation, and simplification at an Investor Day in Sydney.

Under the FY26-FY30 strategy being presented to investors today, Insignia Financial's breadth and reach will be harnessed to maximise the benefits of scale and drive efficiency, while unlocking the value of its brands, building a high-performance culture, becoming an AI-enabled organisation and delivering positive outcomes for customers and shareholders.

Insignia Financial CEO Scott Hartley and the refreshed leadership team will outline how each of the company's four business lines – Advice, Wrap, Master Trust and Asset Management – would drive scalable and sustainable growth while targeting around \$200 million p.a. in net cost savings by FY30.

Insignia Financial's CEO Scott Hartley said: "Our vision is for Insignia Financial to be Australia's leading and most efficient wealth management company by 2030, and through the breadth and expertise of our competitive businesses we will deliver innovative, quality outcomes for customers, and drive double digit earnings growth.

"We want to shift our focus from building capability through acquisition, unification and simplification to accelerated and sustainable growth through a relentless obsession with our customers.

"Through MLC – as our go-forward consumer brand - and Shadforth and Bridges – our financial advice brands – we have some of the strongest brands within the wealth and financial advice market, and our strategy will unlock their potential to drive growth.

"Our core beliefs underpin this strategy: we can drive leading customer experiences through data and AI, our shareholder and customer objectives are aligned, collaboration and insights across the Group will create value for our customers and shareholders, a genuine obsession with our customers will support innovation and a high performance culture is essential.

"Each of our four lines of business are individually strong and well-positioned; our 2030 Strategy is focussed on how we will build on our strong foundations to leverage economies of scale and position for strategic and targeted growth, driving outcomes for our customers and shareholders."

Advice

The strategic focus of our Advice business will be:

- Building out our well-established financial advice businesses – Shadforth and Bridges – to address Australia’s significant unmet need for quality financial planning support, and providing scalable, accessible and affordable financial advice to the Australian community.
- Increasing efficiency and profitability by harnessing AI to reduce our cost to serve, while freeing up advisers to spend more time with more clients.

“At Insignia Financial we believe in the power of financial advice and its ability to improve people’s lives,” Mr Hartley said.

“We recognise there are a large number of Australians with unmet advice needs, and as Australia’s largest salaried adviser business, we are well positioned to lead in this space through quality financial advice.”

Wrap

In the Wrap business, the focus will be on:

- Building on MLC Expand’s strengths and using technology (including AI and robotics) to innovate and differentiate in the market to drive superior customer outcomes.
- Strengthening and growing adviser relationships following a period of internal focus on migrations, which concluded with the successful migration of MLC wrap.
- Growing our ClientFirst and AdviserFirst philosophy which centres on first call resolution servicing.

“Our wrap, MLC Expand, is currently the third largest platform in market and is backed by contemporary, agile, proprietary technology, which allows us to respond quickly to adviser and customer demands and market dynamics,” Mr Hartley said.

“With MLC Expand we have a significant opportunity to differentiate the platform, start to build presence in market and get it in the hands of more advisers and clients.”

Master Trust

In the Master Trust business, we will focus on:

- Simplifying our proposition by leveraging our size into meaningful scale benefits for members and reducing our cost to serve.
- Growing our Workplace offering by being the provider of choice for Australian employers.
- Building a digital direct-to-consumer acquisition channel harnessing and growing MLC’s consumer brand awareness.
- Develop and deliver innovative products to drive improved outcomes for customers to and through retirement.

“Master Trust is the biggest part of our business, and also represents the biggest area of opportunity moving forward – opportunity to simplify, grow, significantly reduce costs and innovate to better meet the needs of customers up to and through retirement,” said Mr Hartley.

“The depth and breadth of the opportunity in our Master Trust business alongside our investment capabilities, our advice offerings, and the potential in the MLC brand – puts us in a truly unique position in market.”

Asset Management

In Asset Management, the focus will be on:

- Continuing to strengthen advice partnerships.
- Consistently delivering strong investment performance.
- Growing Private Equity and Alternatives into new channels.
- Expanding Managed Account offering to accelerate market penetration.
- Simplifying and reducing cost to manufacture.

“MLC Asset Management is one of the largest and most awarded commercial multi-managers in Australia and, as part of our 2030 strategy, we plan to become the portfolio constructor of choice,” said Mr Hartley.

“Through simplifying our existing offering, extending our multi-manager approach into new structures and pursuing growth in targeted areas, we will pursue further external growth.”

<ENDS>

Please note: Forecasts, projections and forward-looking statements should not be treated as guidance with respect to financial outcomes. Any figures provided are an assessment of the opportunity based on a range of assumptions and our modelling of potential financial outcomes of the strategy.

This announcement was approved for release by the Board of Directors of Insignia Financial Ltd.

About Insignia Financial Ltd

With origins dating back to 1846, today the Insignia Financial Group is a leading Australian wealth manager. Insignia Financial Ltd 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

Investor Enquiries:

Andrew Ehlich
General Manager, Capital Markets
Insignia Financial
M: +61 407 223 044
E: andrew.ehlich@insigniafinancial.com.au

Media Enquiries:

Rebecca Chivers
Senior Manager, Corporate Affairs
Insignia Financial
M: +61 416 465 597
E: Rebecca.chivers@insigniafinancial.com.au