

Media Release

Thursday 30 July 2020

First State Super and WA Super confirm merger

First State Super and WA Super have today confirmed that they will proceed with their proposed merger, which is expected to be finalised by 30 November 2020.

The two funds have undertaken an extensive due diligence process since March to confirm that this decision is in their members' best interests.

First State Super and WA Super share many important ingredients for a successful merger. They have common values and cultural alignment, a similar member base, a shared understanding of the important role financial advice plays in supporting their members to achieve the kind of retirement they deserve, and an absolute commitment to putting members first.

Following its merger with VicSuper earlier this month, First State Super – who recently announced it would be changing its name to Aware Super from mid- September – is now Australia's second largest industry super fund, with more than \$125bn in funds under management on behalf of 1.1 million members.

Through this merger with WA Super, the combined fund will continue to leverage its size and scale to drive strong returns to members and deliver increased service and support at the lowest possible cost.

WA Super members will benefit from having access to ongoing local services and support, low fees, more investment options and strong returns over the long-term.

The merged fund, which will be known as Aware Super, will have nearly 60,000 members in WA and remains committed to providing local service and support in the State.

The merger is expected to be completed by 30 November 2020.

Quotes attributable to Deanne Stewart, First State Super CEO:

'Following an extensive due diligence process, we believe this merger will provide the members of both funds with real benefits in the long term.'

'The recent market volatility and economic downturn have clearly demonstrated why we believe that size and scale matters. As Australia's second-largest industry fund, we have the ability to invest directly in significant assets and together with a broad and diversified portfolio, this has enabled us to deliver a positive return for our members, despite the current challenging market conditions.'

'We have had a presence in Western Australia for some time, and as a result of this merger, will look to strengthen our local services and support in the State.'

'Following the merger, we will have additional representatives of our telephone-based Member Service Centre based in WA. This means, our members in the West will be able to contact us throughout full business hours, while our members nationally will benefit from extended hours of support.'

'Over the coming years we will be focused on increasing our presence in Western Australia and cementing our position as a truly national fund. This will not only benefit our combined nearly 60,000 members in WA but will also support our 1.1 million members nationally to achieve the kind of retirement they deserve.'

Quotes attributable to Fabian Ross, WA Super CEO:

'WA Super may be a small fund and has always been passionate about our members; putting them at the heart of everything we do. Although the recent and significant changes in the super industry have proven challenging for us, our performance and returns have been positive and have underpinned our credibility amongst our peers.'

'For 40 years, we've made decisions on behalf of our members that we believe will provide better results for their retirement. The decision to merge with First State Super has been a courageous move for us. However, WA Super has long understood that size and scale are important to maintain a sustainable fund, which is why we've been proactively seeking growth opportunities for a while.'

'First State Super's government heritage reflects WA Super's, and we share a deep understanding of the importance of supporting local employers and members in Western Australia. This is why a key component of our negotiations was to maintain a local office in Perth, so our members could continue to get access to the super and retirement services they need and value.'

'If we don't merge it will be more difficult for us to continue to offer the current level of services, and members will be required to pay higher fees at some stage. We do not believe this would be in our members' best interest in the long-term, which is why a merger with First State Super is the right step to take, with the right culturally aligned partner.'

'I'm incredibly proud of our people at WA Super and how they've handled the recent uncertainty of a merger situation, while dealing with the effects of COVID-19 on their own lives as well as on the lives of our members.'

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For media enquiries and to arrange interviews please contact:

Di Lloyd, Senior Manager Corporate Affairs, First State Super, 0419 177 599,
diana_lloyd@firststatesuper.com.au

Dee Faulkner, Head of Corporate Communications, WA Super, 0421 586 432,
dee.faulkner@wasuper.com.au

Note to Editors:

First State Super

First State Super merged with VicSuper on 1 July 2020 to become one of Australia's largest industry funds managing over \$125 billion in assets and providing superannuation, advice and retirement solutions to those who teach, nurse, care, respond and help others in our communities.

The Fund consistently delivers strong long-term returns to keep fees low, so members can retire with more. A diverse range of investment options are provided to members along with access to advice about their super and the investment options available to them.

Investments are focused on delivering strong long-term returns. In addition, the Fund aims to not only benefit the environment but contribute to jobs in the communities where their members live, work and retire.

First State Super has achieved the highest platinum performance rating from independent ratings agency SuperRatings for the past decade and has consistently been awarded ChantWest's highest 5-apples rating. firststatesuper.com.au

First State Super will change its name to **Aware Super** in mid-September.



WA Super

WA Super is a not-for-profit industry super fund that launched back in the early 1980s. We manage around \$4bn in funds under management for about 50,000 members and have our Head Office in Perth, Western Australia.

Our purpose is to help our members achieve their retirement dreams. We accomplish this by delivering strong investment returns, competitive fees and providing access to a range of educational and advice services.

Our heritage is in Western Australian local government, but we're now open to everyone across Australia. We are always committed to putting our members first and have their best interests at heart in all that we do.