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IOOF Chairman's message to shareholders

Attached is a message to shareholders from IOOF Chairman, Allan Griffiths.

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

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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 and Estate Administration** for advisers, their clients and hundreds of employers in Australia.
- **Investment Management** products that are designed to suit any investor's needs.

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

IOOF Chairman's message to shareholders

Dear fellow shareholder,

Given the COVID-19 pandemic, I thought it important, as Chairman of our company, to communicate with you directly and to set out how IOOF is approaching the current situation. I would also like to address some matters that I know will be front of mind to shareholders.

COVID-19 has caused unprecedented disruption to the way we currently live our lives and in turn impacting equity markets and the economy as whole. At IOOF, we are actively addressing these influences as we focus on business continuity, supporting our clients in a time of need, heightened risk management and the health and welfare of our employees.

IOOF was created 173 years ago with a clear mission – to serve the community, particularly those who are most vulnerable. I truly believe that this, our organisational purpose and obligation to the community, remains particularly relevant today.

Downturns in markets and economies are unsettling but history tells us that recovery ensues. We are a business with diversified income streams and the scale and financial strength to endure the present crisis and be well positioned for the recovery.

Supporting our clients and the community

At IOOF we believe in the value of financial advice. This is more important now than ever before. It is important for not only our existing clients but also for the 80 per cent of Australians who currently do not have access to quality financial advice. We are fast-tracking initiatives to ensure that Australians experiencing financial hardship and stress, not presently our clients, have access to the right knowledge, information and advice.

I would like to commend our 2,000 passionate employees on how they have stepped up. Of course, the present situation is unsettling, but I have been deeply impressed by their commitment and flexibility.

Over the past few weeks, the operational team has experienced a 250 per cent increase in call volume, yet call wait times peaked at 10 minutes, quickly returning to levels below 5 minutes. Our ClientFirst philosophy, which has underpinned our operational transformation, has proved its worth; not only in the current challenging environment, but also as a competitive advantage as we deliver service excellence through a simpler, more cost-effective business model.

We welcome the recently announced Federal Government initiatives to support those in our community most impacted by the current environment. This includes the ability to withdraw up to \$20,000 from superannuation. IOOF is well placed to support this initiative with minimal business impact given the high levels of investment liquidity as well as the diversified demographic nature of our members and clients.

Reshaping our operations for business continuity

Like any company that is serious about its readiness to handle any potential crisis, as part of our day to day business, we regularly test our resources, systems, processes and responses. This preparedness has enabled us to respond well to the current circumstances and to chart a way forward in the new environment.

A key priority for IOOF during the COVID-19 pandemic is the health, welfare and safety of our people. The management team is vigilant in respect of employees' wellbeing during these difficult times.



We are also focussed on our advisers who are on the frontline and standing tall at this time of great uncertainty for clients. We are providing them with the highest levels of support and service as they experience increased workloads and intensified client interactions. This support includes access to our employee assistance program, and free access to a range of new technologies to assist in remote advice delivery.

Our transformation stands us in good stead

Our business has transformed over the last 12 months. We have introduced a new leadership team and organisational structure; our Client First philosophy has underpinned our operational transformation and has become a source of competitive advantage, and the ANZ Wealth Pensions & Investments acquisition has provided a step change in our scale and reach.

IOOF, throughout its 173 year history, has successfully adapted to change. We have not only endured change but through each challenge, have become better and stronger. I believe this will be the case again.

IOOF has the financial strength, scale and business diversification that endows the institutional resilience to actively manage the current situation and to look to the recovery and its inherent opportunities.

Looking to the future

While we must manage the current situation, we must also look to the future. Everything IOOF is doing as a company now is to ensure sustainable and long-term returns for our clients, members and shareholders.

We remain focused on our transformation program that is reshaping the business to be 'fit for purpose' for the opportunities ahead. The transformation program will focus, simplify and grow the new IOOF, and is underpinned by IOOF's purpose driven culture and governance.

The acquisition of P&I heralds a new era for IOOF providing scale, economic diversification and business strength to deliver better long term outcomes for our client, members, advisers and shareholders.

We are building long term scale benefits in our business and we are committed to the reinvention of advice via Evolve 21, which is simplifying the platform suite down to one contemporary platform; and Advice 2.0 which will allow us to deliver more accessible and cost effective financial advice to more Australians in an economically viable way.

We have a clear strategy in place to transform the business and a clear eye on the future for the benefit of all our stakeholders, including importantly, you, as a valued shareholder of IOOF.

I thank you for your ongoing support.

Yours sincerely,

Allan Griffiths
Chairman
IOOF

