

Supporting your *super* journey

Your financial year update

From the CEO – Chris Davies

It's been another busy and positive year for TelstraSuper. From delivering strong long-term investment performance, introducing new digital tools, and expanding our retirement offering, the Fund continues to innovate and enhance our products and services to make sure we are meeting the diverse needs of our members and delivering great retirement outcomes.



An award-winning super fund

View more at telstrasuper.com.au/awards

Whether you are looking to find out more about the right investment options for you or discover whether your super is on track, access advice or upload a document, each of these actions can now be completed online and, if more help is needed, we're ready to take your call.

These measures, along with other innovations, saw TelstraSuper take out the Chant West Best Fund: Innovation 2024 award*. This is fantastic recognition of our ongoing work to help members further engage with their super.

Investment returns

Despite ongoing challenging economic conditions brought about by higher inflation and higher interest rates, it's been another year of positive returns across almost all our investment options. Our most popular MySuper Growth and MySuper Balanced options achieved 9.63% and 7.98% respectively, over the year to 30 June 2024†. These results reflect the resilience of major global economies over the period, which produced particularly strong performances from Australian and International Shares.

Looking to the future, we continue to keep a sharp eye on economic growth, both here and overseas, as well as geopolitical developments, which have the potential to move markets. Our experienced investment team's sole focus remains to maximise returns to members while managing these risks.

Return by investment option



9.63%
MySuper Growth



7.98%
MySuper Balanced



For more information on the returns of all our investment options, please visit telstrasuper.com.au/returns

Lower fees

As a profit-to-member super fund, TelstraSuper always strives to achieve competitive performance at the lowest possible cost. For the third year running, we were able to lower our percentage-based administration fee from 0.17% p.a to 0.16% p.a on 1 April 2024. We also reduced the total annual administration fee cap to \$1,652 per year (down from \$1,752 per year) so that individual members and eligible couples with growing balances don't have to worry about their administration fee extending beyond this cap.

Eligible couples and individual members are also eligible for an admin fee rebate if they have an account balance of at least \$1,000,000 for individuals, or a combined account balance of \$967,500 for couples.

Make it easier to transact with us

We also made a raft of changes to our online services, making it easier for members to engage and transact with us.

Members can now securely upload files and documents via SuperOnline instantly rather than waiting on the mail. Members can also now view the status and track the progress of selected transactions within their SuperOnline account.

You can also now live chat with our team online. Our chatbot may be able to answer your query, but, if not, simply type 'agent' and you will be connected with one of our Melbourne-based consultants. They're available on chat **8:30am - 6:00pm** (Melbourne time) **Monday to Friday** (closed public holidays).

Uptake of this service has exceeded expectations, reinforcing to us that our membership is tech-savvy and keen to embrace digital innovation.



Get face-to-face advice and chat with us today, by [clicking here](#)



Cementing our position as a leader in retirement

This financial year, we achieved an important milestone with the launch of the TelstraSuper RetireAccess Lifetime Pension. We recognise that many of our members who are moving from building their super to enjoying their retirement want more choice and certainty when it comes to drawing a retirement income.



Find out more about Lifetime Pension
[click here](#)

To further support members in their retirement, we've also launched a range of new tools and calculators, extended access to our self-managed style Direct Access product to include retirees, while TelstraSuper Financial Planning introduced aged care funding advice.

We are very proud that our members now have access to one of the most holistic and comprehensive retirement offerings on the market. Supporting our members through guidance, education, targeted campaigns, access to financial advice and appropriate products is the cornerstone of TelstraSuper's approach to retirement.

Investment changes

This financial year, we made several key changes to our investment offering, which are designed to maximise member returns.

MySuper members

Our Lifecycle MySuper investment strategy, for members who don't make an investment choice, changed from three to four investment stages, with the addition of a new MySuper Moderate investment option. We also raised the age-based thresholds at which MySuper members are transferred into more defensive investment stages. A member's exposure to growth assets still reduces as they age, just more gradually than before.



For more information about our other investment changes [click here](#)

Introducing the Moderate investment option

We also formed a new Moderate investment option outside MySuper, by combining our Diversified Income and Defensive Growth investment options.

The Moderate investment option is invested in a range of assets including Australian and International shares, property, infrastructure, bonds, credit, alternatives and cash, all with the aim of diversifying risk while seeking to deliver steady growth.

Grow your super with us New high growth investment option



Introducing the High Growth investment option

In addition, we launched a new High Growth investment option for members seeking to maximise their returns over a longer time horizon. Compared to our other investment options, High Growth has a higher allocation to shares and also has a tilt towards technology and other innovative companies in their early stage of growth, providing opportunities for potentially higher long-term returns. Since its launch on 2 October 2023, the High Growth option has returned 12.24%[†]

We've also made some changes to our Property investment option with the aim of improving liquidity and reducing exposure to unlisted investments. The long-term strategic investment mix is now 25% in listed property, up from 15%, and unlisted property is now 75%, down from 85%.

With any investment option, it's important to ensure that the choices you make suit your investment risk profile and individual goals and circumstances.



You can find more information about our High Growth option [here](#)

Changes to insurance

We have made some exciting changes to our insurance offering, providing greater peace of mind and making it easier for our members to be covered. These include:

- automatically recommencing insurance cover for members whose insurance was cancelled due to inactivity, once they make a contribution to their account#
- casual employees can now apply for voluntary Income Protection (IP) insurance cover
- automatically providing default insurance cover to members when they turn 25 and have an account balance of \$6,000, if they didn't opt-in for default cover when they joined TelstraSuper**
- members can now apply to transfer IP cover from another fund or insurance company
- from 4 April our IP benefit increased from 85% to 87% of salary, which includes a 12% super payment made to our members' TelstraSuper accounts[§]
- the option of making Total & Permanent Disability and IP insurance claims via our online claims portal^{^^}.



You can find out more about our insurance offering at telstrasuper.com.au/insurance



or download your relevant insurance guide at telstrasuper.com.au/pds

Plan your future with advice

We're also very excited to have launched our first digital advice tool, the Investment Choice selector, provided by TelstraSuper Financial Planning.

This intuitive tool is designed to make investment recommendations based on your needs. In just a few minutes you can find out your investment style, your appetite for investment risk, and which investment option best suits you.

From there, you can choose to switch options or get phone or face-to-face advice to support any decision making based on the tool.

See what type of investor you are

Discover if your super is on track

In another significant digital development, we launched our new Retirement Lifestyle Planner that is designed to help members answer questions they may have about their super balance at retirement, and how they're tracking.

The tool can help answer questions like:

- What is my likely balance at retirement?
- Will my money give me the standard of living I want?
- How long might it last?
- What type of income options would work for me?
- What can I do to make a difference?

You can evaluate different scenarios that could affect your income in retirement like taking career breaks, making additional contributions to your super and changing investment options.



Try our new Retirement Lifestyle Planner tool, by [clicking here](#)

We're one of the few super funds that offer members access to a dedicated professional financial advice service[^], through TelstraSuper Financial Planning.

Whether you are after phone-based advice on simple questions about your super account, personal financial advice about one or two topics on your super or finances, or comprehensive one-off or ongoing advice from your adviser, we've got you covered. This includes aged care funding advice for members who seek advice on this complex area, either for themselves or family members.

Update on the Fund's merger plans

As communicated in May this year, the TelstraSuper Board has determined that it is in our members' long term best interests to seek a suitable merger partner.

This follows careful consideration of the Fund's long-term strategy against the backdrop of industry trends and developments, where size and scale are increasingly important. The Fund is in a strong and healthy position with positive net member growth, high member advocacy and a growing retirement segment.

The merger process will contain three key phases



Phase 1

Reviewing potential funds and shortlisting.



Phase 2

Selecting a preferred merger partner, signing a Memorandum of Understanding and conducting further due diligence between the two parties.



Phase 3

Once the due diligence phase has been successfully completed, the two parties will formally agree to merge resulting in the legal merging of entities.

The Board has now commenced phase 1 of the merger process and there has been a high level of interest from funds seeking to partner with us. The Board is currently considering information provided from a range of potential partners to enable us to find the right fit.

From here, the Board will choose a preferred candidate and commence further due diligence. This includes delving deeper into any potential merger partner's products, services (including advice services), culture, insurances and investment strategy. Our members' best financial interests are front and centre to any merger consideration.

Finally, once a partner is confirmed, there will be a legal merging of entities. We anticipate that this will occur before the end of 2025.

Once the TelstraSuper Board has determined who our preferred partner will be, we will be able to share more information with you. While the Fund explores merger options, it's important to note that there will be no change in the operations of the Fund or our commitment to helping members achieve the best retirement outcome possible. In the meantime, if you have any questions, please feel free to review our frequently asked questions section on our website.

Thank you for your support

The superannuation landscape is always changing, whether it be changes in investment markets, technology, legislation or, indeed, changes in fund ownership.

The year ahead will be no different. As the TelstraSuper Board looks to explore merger options, we remain committed to delivering our members a bright future.

With our deeply ingrained members-first culture and our proud history of embracing and adapting to changes in the operating environment, I have every confidence that TelstraSuper will successfully navigate the future for the benefit of all members.

Thank you for trusting us with your retirement savings, we'll always put you, our members, first.

If you have any questions about the information in this document, about your TelstraSuper account or if you wish to discuss your advice needs, please call us on **1300 033 166** or visit the website **telstrasuper.com.au**



You can read the latest updates on our merger plans at telstrasuper.com.au/merger

Recent legislated changes to super

The following legislated changes came into effect on 1 July 2024, impacting your super:

Increase in employer super contributions to 11.5%

The super accounts of Australians received a super boost from 1 July 2024 with another legislated increase in superannuation guarantee contributions from 11.0 % to 11.5%.

Increase in contribution caps

Due to indexation, the concessional cap increased to \$30,000 per year (up from \$27,500), while the non-concessional cap increased to \$120,000 per year (up from \$110,000).

The increase to the non-concessional cap also affects the bring-forward rule over 3 years, which increased from \$330,000 over 3 years to \$360,000 over three years.

[Learn more](#)

Deeming rates frozen

As part of the 2024-25 Federal Budget, the Treasurer announced a 12-month extension to 30 June 2025 of the current freeze in deeming rates for retirees.

This measure will assist part pensioners with bank deposits, investments and also super pension income streams which are captured under the deeming rules. The measure will allow retirees to benefit from increases in interest rates and returns without reductions in their age pension.

The deeming rate has been frozen for the last two years with the top rate unchanged at 2.25%.

Co-contributions

For those wanting to take advantage of the Government's Co-Contribution scheme, the 'lower income threshold' is \$45,400 (up from \$43,445) for 2024-25; 'higher income threshold' is \$60,400 (up from \$58,445).

[Learn more](#)

Other caps

The Capital Gains Transfer cap amount for non-concessional contributions is \$1.780 million for 2024-25 (up from \$1.705 million).

There is no change to the General Transfer Balance Cap at \$1.9 million or the Total Superannuation Balance threshold at \$1.9 million.

The 'defined benefit income cap' will remain at \$118,750 for 2024-25.

SG threshold for high income earners

The 'maximum contribution base' is \$65,070 (up from \$62,270) per quarter for 2024-25. If your earnings exceed this amount for the quarter, your employer does not need to pay SG contributions on your earnings above this limit.

†Past performance is not a reliable indicator of future performance

*Zenith CW Pty Ltd ABN 20 639 121 403 AFSL 226872/AFS Rep No. 1280401 Chant West Awards issued 22 May 2024 are solely statements of opinion and not a recommendation in relation to making any investment decisions. Awards are current for 12 months and subject to change at any time. Awards for previous years are for historical purposes only. Full details on Chant West Awards at <https://www.chantwest.com.au/fund-awards/about-theawards>.

‡As at 30 June, 2024

^Advice is provided to members by Telstra Super Financial Planning Pty Ltd ABN 74 097 777 725/ AFSL 218705 (referred to as TelstraSuper Financial Planning). For more complex advice, fees may apply. Any general advice has been prepared without taking into account your objectives, financial situation or needs. Before you act on any general advice, you should consider whether it is appropriate to your individual circumstances. Before making any investment decision, you should obtain and read the relevant product disclosure statement and target market determination which is available on www.telstrasuper.com.au or by calling **1300 033 166**. You may wish to consult an Adviser before you make any decisions relating to your financial affairs. To speak with an Adviser from TelstraSuper Financial Planning call **1300 033 166**

#Subject to the conditions as set out in the Policy.

§In the event of an approved IP claim with a Date of Disablement that is prior to 4 April 2024, the super benefit paid to your TelstraSuper account will be 10% of salary and your total monthly benefit will be 85% of salary. "Salary" for this purpose excludes superannuation.

^^Our online claims portal is available for members who have a Date of Disablement on or after 1 July 2020. For disability claims with a Date of Disablement prior to 1 July 2020, a different process is required. Call us on **1300 033 166** for more information.

**Only applies to Corporate Plus members and Personal Plus members who join via a Personal Plus Default Fund Employer.

Supporting your super journey



Call us
1300 033 166



Visit the website
telstrasuper.com.au