

TODAY'S TOPIC

Women and Super

# Top 5 tips to boost your super

Thank you for joining us.  
We will commence shortly



## IMPORTANT NOTICE

This presentation contains factual information and general advice only, including information about financial products. It has been prepared without taking into account your objectives, financial situation and needs. You should consider whether it is appropriate having regard to your personal circumstances before making any financial decisions.

If you are not a TelstraSuper member, we cannot offer, request or invite you to purchase a financial product after this session, without your prior consent. We can, however, provide you with factual information about the benefits and features of the different superannuation products that TelstraSuper has available. If you are considering acquiring a financial product, you should obtain the relevant product disclosure statement before making a decision. Any taxation information in the presentation is factual information only. If you require taxation advice you should consult your accountant or tax adviser.

If you would like to find out more information about TelstraSuper's products, please contact us by email at [contact@telstrasuper.com.au](mailto:contact@telstrasuper.com.au) or use the Contact Form on the website to make a request about a specific product, and we will arrange for a Member Contact Centre Consultant to call you to discuss that product. Alternatively, you can call our Member Contact Centre Consultants on 1300 033 166 to ask for further information about our products



**WOMEN AND  
SUPER**



**5 TIPS TO BOOST  
YOUR SUPER**



**ASSESS YOUR  
INSURANCE  
NEEDS**



**HOW  
TELSTRASUPER  
CAN ASSIST**



**QUESTIONS**



**WOMEN AND SUPER**









# Super facts



- ✓ As we begin to see the effects of COVID-19 Early Release on the super balances of Australians, we are expecting to see the gap widen, with almost 500,000 Australians totally emptying their super accounts leading the impact at retirement of up to \$95,696.
- ✓ Women comprise of 47.4% of the workforce.
- ✓ Almost twice as many women spend more than five hours a day caring for children than men.
- ✓ Based on full time earnings, Australian women earn 14.1% less and form 67% of part time workers, pushing the pay gap even further.
- ✓ Women retire with 24% less super than their male counterparts.
- ✓ Australian women live on average 4 years longer than men, and with their lower super balances, they run out of super much earlier.
- ✓ 34% of single Australian women over 60 live in income poverty (compared to 27% of men).

# ASFA retirement standard

	<b>Age Pension</b> <b>\$25,155 p.a. Single</b> <b>\$37,923.60 p.a. Couple</b>	<b>Modest Lifestyle</b> <b>\$29,139 p.a. Single</b> <b>\$41,929 p.a. Couple</b>	<b>Comfortable Lifestyle</b> <b>\$45,952 p.a. Single</b> <b>\$64,771 p.a. Couple</b>
	Only club special meals or inexpensive takeaway	Take out and occasional cheap restaurants	Restaurant dining, good range and quality of food
	No car or, if you have a car, it will be a struggle to afford repairs	Owning a cheaper more basic car	Owning a reasonable car
	No private health insurance	Basic private health insurance, limited gap cover	Top level private health insurance
	Even shorter breaks or day trips in your own city	One holiday in Australia or a few short breaks	Domestic and occasional overseas holidays
	Only taking part in no cost or very low-cost leisure activities. Rare trips to the cinema	One leisure activity infrequently, some trips to the cinema or the like	Taking part in a range of regular leisure activities
	Less air conditioning in summer and heating in winter	Need to watch utility costs	Can run air conditioning and heating

The figures in each case assume that the retiree(s) own their own home, are relatively healthy and relate to expenditure by the household. This can be greater than household income after income tax where there is a drawdown on capital over the period of retirement. All figures in today's dollars using 2.75% AWE as a deflator and an assumed investment earning rate of 6 per cent.

Source: ASFA Retirement Standard December quarter 2021 national for individuals aged around 65 - [www.superannuation.asn.au/resources/retirement-standard](http://www.superannuation.asn.au/resources/retirement-standard)

[www.servicesaustralia.gov.au/individuals/services/centrelink/age-pension/how-much-you-can-get](http://www.servicesaustralia.gov.au/individuals/services/centrelink/age-pension/how-much-you-can-get) ; [www.superguru.com.au/retiring/how-much-super-will-i-need](http://www.superguru.com.au/retiring/how-much-super-will-i-need)

HOW MUCH DO YOU NEED?

# ASFA retirement standard for a comfortable lifestyle



**Annual income for a  
single \$45,962**

**\$545,000 +  
part Age Pension**

**Lump sum required to  
fund retirement lifestyle**



**Annual income for a  
couple \$64,771**

**\$640,000 +  
part Age Pension**

**Lump sum required to  
fund retirement lifestyle**



Source: ASFA Retirement Standard December 2021 quarter, national

This assumes part Age Pension and the figures in each case assume that the retiree(s) own their own home outright and are relatively healthy. Figures relate to expenditure by the household. All figures in today's dollars using 2.75% AWE as a deflator and an assumed investment earning rate of 6 per cent. The lump sums required for a comfortable retirement assume that the retiree/s will draw down all their capital and receive a part Age Pension.

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## 5 TIPS TO BOOST YOUR SUPER





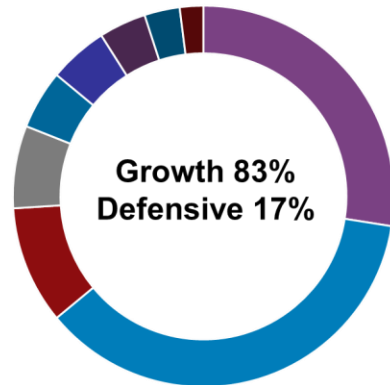
# What type of investor are you?



1. What do you want to achieve?
2. How long do you want to invest for?
3. How do you react to volatility?
4. What other investments do you have?
5. Do you need help with your investments?

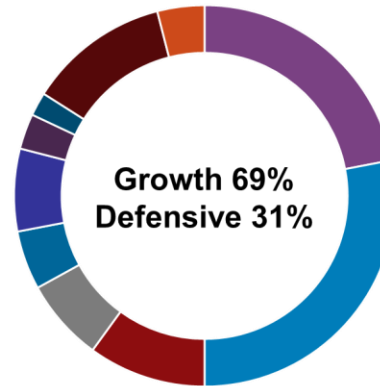
# MySuper investment options

**MySuper Growth**  
(under 45)



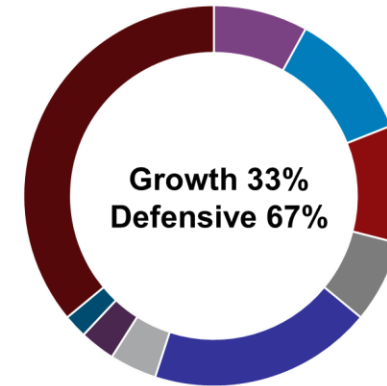
- Australian shares 27.5%
- International Shares 36.5%
- Unlisted Property 10%
- Infrastructure 7%
- Private Markets 5%
- Cash 5%
- Alternative Debt 4%
- Opportunities 3%
- Listed Property Trusts 2%

**MySuper Balanced**  
(45 to under 65)



- Australian shares 22%
- International Shares 28%
- Unlisted Property 10%
- Infrastructure 7%
- Private Markets 5%
- Cash 7%
- Opportunities 3%
- Listed Property Trusts 2%
- Diversified Fixed Interest 12%
- Alternative Debt 4%

**MySuper Conservative**  
(65 and over)



- Australian Shares 8%
- International Shares 11%
- Unlisted Property 10%
- Infrastructure 7%
- Cash 19%
- Alternative Debt 4%
- Opportunities 3%
- Listed Property Trusts 2%
- Diversified Fixed Interest 36%

# Investment options for Accumulation and TTR



Investment option	Growth / Defensive assets	Investment objective CPI	Risk of negative return	Suggested investment timeframe
<b>Growth</b>	83% / 17%	+3.5% pa	4–6 years in 20	7–10 years
<b>Balanced</b>	69% / 31%	+3% pa	4–6 years in 20	5–10 years
<b>Diversified Income</b>	53.8% / 46.2%	+2%pa	3–4 years in 20	4–8 years
<b>Defensive Growth</b>	53.5% / 46.5%	+2% pa	3–4 years in 20	4–8 years
<b>Conservative</b>	33% / 67%	+1% pa	1–2 years in 20	3–10 years
<b>International Shares</b>	100 / 0%	+3.5% pa	6 or more years in 20	8–10 years
<b>Australian Shares</b>	100 / 0%	+3.5% pa	6 or more years in 20	8–10 years
<b>Property</b>	57.5% / 42.5%	+3% pa	4–6 years in 20	5–7 years
<b>Fixed interest</b>	0 / 100%	Refer footnote#	1–2 years in 20	4–8 years
<b>Cash</b>	0 / 100%	Refer footnote*	Less than 0.5 years in 20	0–2 years

The above information relates to TelstraSuper's accumulation and transition to retirement accounts.

#The fixed interest return objective as per the investment guide is to outperform the Bloomberg AusBond Bank Bill Index, adjusted for tax +0.5% pa.

\*The Cash option return objective as per the investment guide is to outperform the Bloomberg AusBond Bank Bill Index, adjusted for tax.

The Bloomberg AusBond Bank Bill Index is a commonly used benchmark for cash-like investments. It measures the return earned on a diversified portfolio of different types of short-term cash investments.

Cash investments are generally taxed at 15% in the superannuation accumulation phase.

Source: TelstraSuper investment guide dated 8 November 2021

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# Consolidate accounts

There are literally billions of dollars of lost money out there and some of it could be yours.

## Multiple super accounts



- Multiple insurance policies
- Multiple account fees
- Multiple statements
- Multiple logins

## One super account



- One insurance policy
- One account keeping fee
- One statement
- One login

**Before consolidating your super you should consider** the implications of consolidating your super funds (eg. insurance, tax, fees and benefits) and in particular, review any insurance cover you have within those funds in which you are still a member, which could be impacted. **If you choose to consolidate your accounts into TelstraSuper you'll lose any insurance cover held with your current funds. Consider transferring your current eligible Death and TPD cover from your current funds.** Consider if consolidating is right for you. Think about seeking financial advice before making a decision to consolidate your super.

# Making contributions and important caps



## Pre-tax

(concessional contributions)

Employer contributions, salary sacrifice, personal deductible contributions, insurance premiums paid by your employer

**15% tax rate**

Annual contribution cap **\$27,500**

### Rolling 5-year catch up

If your total super balance is less than \$500,000 as at end of the previous financial year, any unused concessional contributions cap amounts can be carried forward for up to five years before they expire.



## Post-tax

(non-concessional contributions)

Contribution made from after-tax income and spouse contributions

**0% tax on the way in**

Annual contribution cap **\$110,000\*\***

### Bring forward rule<sup>^#</sup>

If your total super balance is less than \$1.7 million individuals aged under 67 may be able to make up to three years' worth of post-tax contributions (up to \$330,000\*\*) to their super in a single year.

\* For the 2021-22 financial year, you must meet the work test if aged 67 to 74 or satisfy the work test exemption criteria. To satisfy the work test you must complete at least 40 hours of paid work in a period of not more than 30 consecutive days in the financial year in which you plan to make non-concessional contributions. The work test exemption means you can also make personal contributions during the first financial year you don't meet the work test if your total superannuation balance at the end of the previous financial year is less than \$300,000.

<sup>^</sup> Subject to the \$1.7 million total superannuation balance cap. Individuals with a total superannuation balance of \$1.48 million or more are not able to utilise the full bring forward rule.

<sup>#</sup> Must be under age 67 at the start of the financial year and meet other eligibility criteria.

<sup>\*\*</sup> Once you trigger the bring-forward arrangement in a year, any change to the non-concessional contributions cap for the bring-forward period doesn't apply to you. The bring-forward cap amount is set based on the cap in the first year of the period.

Source: [www.ato.gov.au/Rates/Key-superannuation-rates-and-thresholds/?page=3](http://www.ato.gov.au/Rates/Key-superannuation-rates-and-thresholds/?page=3) | [www.ato.gov.au/Individuals/Super/In-detail/Growing-your-super/Super-contributions---too-much-can-mean-extra-tax/?page=3](http://www.ato.gov.au/Individuals/Super/In-detail/Growing-your-super/Super-contributions---too-much-can-mean-extra-tax/?page=3)

# Important contribution caps

## ↑ Total super balance

Includes all superannuation funds and retirement income streams

**\$1.7 million**

### No further post-tax (non-concessional) contributions

If the total superannuation balance across all your superannuation and retirement income streams (not just your TelstraSuper account) is equal to or greater than \$1.7 million at the end of the previous financial year.

## Transfer balance cap ↑

Maximum amount that can be transferred from superannuation accumulation funds into the tax-free retirement phase

**\$1.7 million<sup>^</sup>**

### Example

John retires at age 62 with a total super balance of \$2 million. He is able to commence a retirement income stream with up to \$1.7 million<sup>^</sup>. John can leave the remaining \$300,000 in his superannuation accumulation account and access this money when needed tax-free as he has retired and reached his superannuation preservation age.

TelstraSuper Financial Planning has a team of phone-based Advisers who can provide you with simple advice in relation to your contributions. There's no additional cost for our phone-based advice as this is included in your TelstraSuper membership. You can contact us on 1300 033 166 or request an appointment with our online contact form. Telstra Super Financial Planning Pty Ltd (TSFP) AFSL 218705 wholly owned by Telstra Super Pty Ltd as trustee for the Telstra Superannuation Scheme (TelstraSuper)

<sup>^</sup>Every individual will have their own personal transfer balance cap of between \$1.6 and \$1.7 million, depending on their circumstances. If you start a retirement phase income stream for the first time on or after 1 July 2021, you will have a personal transfer balance cap of \$1.7 million. If you had a transfer balance account before 1 July 2021, your personal transfer balance cap may vary.

Source: [www.ato.gov.au/Individuals/Super/In-detail/Growing-your-super/Super-contributions---too-much-can-mean-extra-tax/?page=5](http://www.ato.gov.au/Individuals/Super/In-detail/Growing-your-super/Super-contributions---too-much-can-mean-extra-tax/?page=5) | [www.ato.gov.au/individuals/super/withdrawing-and-using-your-super/transfer-balance-cap/](http://www.ato.gov.au/individuals/super/withdrawing-and-using-your-super/transfer-balance-cap/)

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# Salary sacrifice



## Case Study

Melissa is aged 40 and has a salary of \$100,000 a year before tax. She is interested in boosting her super account and considering putting a salary sacrifice arrangement in place with her employer.

If she salary sacrifices \$10,000 into her super, she will increase her net super contributions by \$8,500, reduce her tax by \$2,250, however the reduction in her net take home pay is \$6,250.

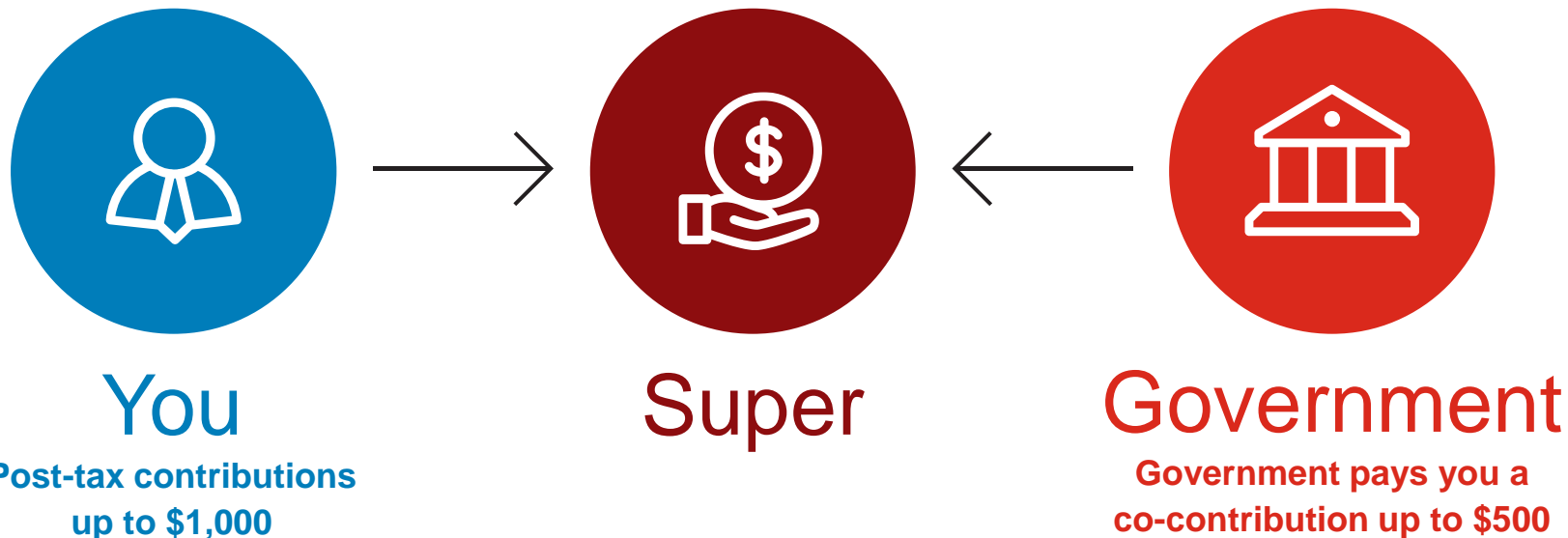
	No salary sacrifice	With salary sacrifice	
Assessable income	\$100,000	\$100,000	<b>(\$6,250)</b> Reduction in net take home pay
Less pre-tax salary sacrifice contributions	\$0	\$10,000	
Taxable income	\$100,000	\$90,000	
Less tax	\$24,187	\$20,437	
Net take home pay	\$75,813	\$69,563	
	Before	After	
Employer SG contributions	\$10,000	\$10,000	<b>\$8,500</b> Increase in net SUPER CONTRIBUTIONS
Pre-tax salary sacrifice contributions	\$0	\$10,000	
Less concessional tax (15%)	\$1,500	\$3,000	
Total net contributions	\$8,500	\$17,000	
	Before	After	
Tax on income	\$24,187	\$20,437	<b>(\$2,250)</b> Reduction in TAX
Tax on super contributions	\$1,500	\$3,000	
Total tax payable	\$25,687	\$23,437	

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\*Income tax payable is based on the 2021/22 financial year and includes Medicare Levy

Calculator source: <https://www.ato.gov.au/Calculators-and-tools/Host/?anchor=IncomeTaxEstimator/questions&anchor=IncomeTaxEstimator&anchor=IncomeTaxEstimator/questions#IncomeTaxEstimator/questions>

# Government co-contribution



Annual Income	\$41,112 or less	\$44,112	\$47,112	\$50,112	\$53,112	\$56,112 or more
<b>Personal contribution of \$1,000</b>	\$500	\$400	\$300	\$200	\$100	Nil

The above information is based on the 2021/22 financial year. To receive the co-contribution, your total income must be less than the higher income threshold for that financial year and your personal contributions must reach your super fund by 30 June each year for you to receive a government co-contribution for that financial year. Other eligibility criteria apply.

Source: [www.ato.gov.au/Individuals/Super/In-detail/Growing-your-super/Super-co-contribution/?anchor=Makingpersonalsupercontributions#Makingpersonalsupercontributions](http://www.ato.gov.au/Individuals/Super/In-detail/Growing-your-super/Super-co-contribution/?anchor=Makingpersonalsupercontributions#Makingpersonalsupercontributions)



5

WAYS TO BOOST YOUR SUPER

# Spouse contributions



\* The tax offset amount reduces when your spouse's income is greater than \$37,000 and completely phases out when your spouse's income reaches \$40,000. This information is based on the 2021/22 financial year. Other eligibility criteria apply. Source: [www.ato.gov.au/individuals/income-and-deductions/offsets-and-rebates/super-related-tax-offsets/](http://www.ato.gov.au/individuals/income-and-deductions/offsets-and-rebates/super-related-tax-offsets/)



**ASSESS YOUR  
INSURANCE NEEDS**



# Insurance within super



## Death Cover

Provides a lump sum for your dependents or your legal personal representative in the event of your death.

**Lump sum**



## Terminal Illness Benefit

Pays a lump sum if you're diagnosed with a terminal illness and the insurer is satisfied, on medical or other evidence, that the illness, despite reasonable medical treatment, will lead to your death within 24 months of the date of the certification. This is an advance on the death benefit.

**Lump sum**



## Total & Permanent Disability Cover (TPD)

Pays a lump sum if you become totally and permanently disabled and unable to work due to sickness or an accident.

**Lump sum**



## Income Protection Cover

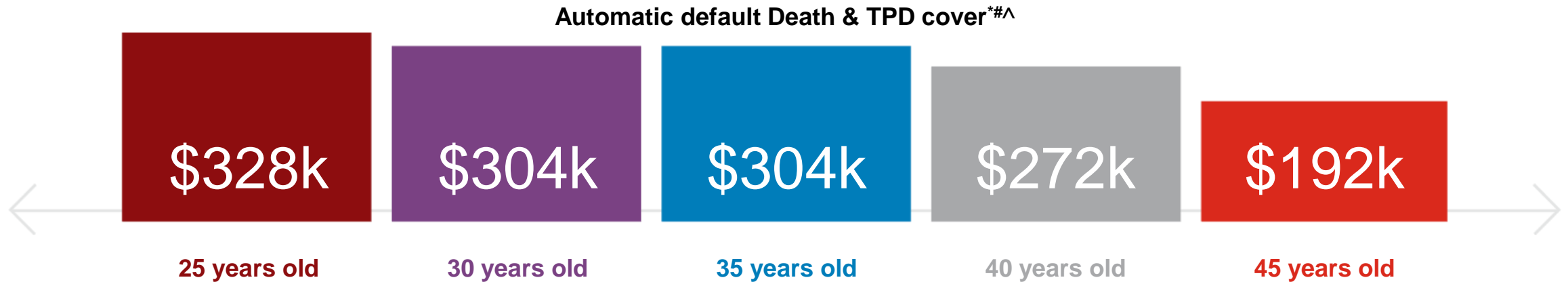
Provides a monthly income protection benefit plus a monthly super contribution if you're partially disabled or totally disabled and are unable to work due to sickness or accident.

**Monthly income**

Refer to the relevant Product Disclosure Statement and TelstraSuper insurance guide 1 July 2021 for full terms and conditions.

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# TelstraSuper Corporate Plus default insurance



## Default Income Protection<sup>^</sup>

Your Income Protection benefit payment will be up to **75% of your salary** with an additional **10%** of your salary paid into your super fund

If you're a TelstraSuper Corporate Plus member, your default insurance cover is for Death & TPD insurance. This is generally paid for by your employer as an employee benefit <sup>°</sup>

<sup>#</sup> If you are aged under 25 or have an account balance that is less than \$6,000 you must opt in within 120 days of commencing employment to receive member paid insurance cover subject to 'At Work' requirements. If cover is required 120 days after joining the fund, you will need to apply and be assessed by our insurer.

<sup>\*</sup>Death & TPD default cover is calculated based on a salary of \$80,000 p.a.

<sup>^</sup> To be eligible for default cover in TelstraSuper Corporate Plus, you must join TelstraSuper within 120 days of commencing employment otherwise all cover is subject to application and acceptance. Income protection is not available to casual employees.

<sup>°</sup> For many permanent full-time and part-time TelstraSuper Corporate Plus members, your Default Death & TPD Cover is currently paid by your Employer, as an employee benefit, except for employees of Sensis (new employees from 1 July 2014), 1300 Australia, Chief Entertainment and Telstra SNP Monitoring, Telstra Health and Telstra Purple (new employees from 1 June 2019) where premiums will be deducted from your account quarterly in arrears or on withdrawal if you leave TelstraSuper Corporate Plus. It also excludes members who don't have their Superannuation Guarantee (SG) contributions paid to TelstraSuper. As a casual employee, if you satisfy the Default Cover Conditions, you will receive an age-based level of Default Death & TPD Cover, however the premiums are not paid for by your employer.

Refer to the relevant Product Disclosure Statement and TelstraSuper insurance guide dated 1 July 2021 for full terms and conditions.

# Who can receive your death benefit?

Your eligible dependents are:



## Binding nomination

A valid binding death benefit nomination gives you certainty about who will receive your benefit in the event of your death and means TelstraSuper must pay your death benefit to the beneficiaries nominated in the proportion set out in the nomination. To be valid and in effect, the binding nomination must meet all the superannuation law requirements.

## Non-Binding nomination

A non-binding nomination is not binding on the Trustee of TelstraSuper. The Trustee will take your nomination into consideration when determining to whom to pay your death benefit.

\* Legal personal representative is the person nominated by you to be the executor of your Will or appointed to distribute your assets according to the laws of the relevant State or Territory.



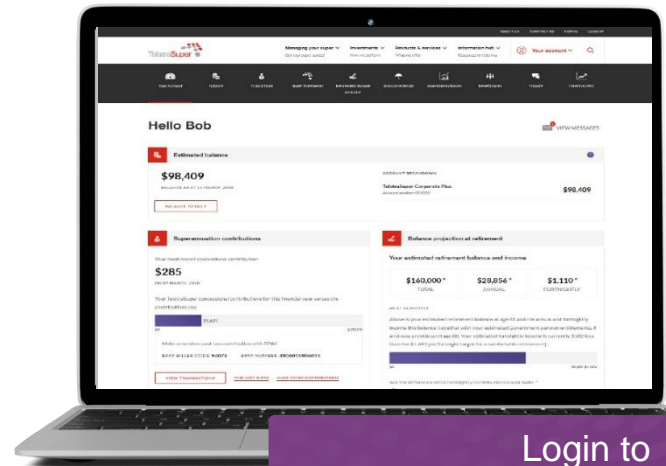
## HOW TELSTRASUPER CAN ASSIST



# Keeping in touch with your super



- ✓ Update your email address and personal details
- ✓ Check your account balance
- ✓ Review your insurance cover
- ✓ View your nominated beneficiaries and make a non-binding nomination
- ✓ Review your investment options and investment returns
- ✓ Keep track of pre-tax contributions against the concessional contributions cap
- ✓ Review benefit statements
- ✓ View latest contributions and transactions



Login to SuperOnline at [telstrasuper.com.au](https://telstrasuper.com.au)



HOW TELSTRASUPER CAN ASSIST

# Retirement projector



Any advice contained in this Retirement Projector is of a general nature only and does not take into account the personal needs and circumstances of any particular individual. Prior to acting on any information contained in this projector, you need to take into account your own financial circumstances, consider the product disclosure statement for any product you are considering and seek professional advice from a Financial adviser.

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# Four financial advice services to empower you



## **SUPER** *sorter*

Simple phone advice and info to max your super.



## **STEP** *it up*

Want to take that next step with your super or finances? We'll find you a simple solution.



## **BIG** *picture it*

Let's check out your whole financial situation and make a plan.



## **STAY** *on track*

Ongoing expert coaching on super and wealth. We'll nudge and encourage you, keeping you on track as life changes.

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The fund you trust  
with your super, is now  
there for your friends.

**Invite a friend.  
We'll do the rest.**

[telstrasuper.com.au/refer](https://telstrasuper.com.au/refer)



**Competitive  
fees**



**Profits back  
to you**



**Strong long-term  
performance**



**Simple advice  
on you super**



**When we win,  
you win!**



**Responsible  
investors**

# Happy to answer your questions.



**1300 033 166**

8:30am - 5:30pm (Melbourne time) Monday to Friday



**[talkingsense@telstrasuper.com.au](mailto:talkingsense@telstrasuper.com.au)**



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**As a leading profit-to-member fund, TelstraSuper is committed helping our members build a financially secure future.  
As a current TelstraSuper member, you are able to refer friends and family members to join TelstraSuper.**

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