

Defined benefit (TelstraSuper Division 2) explained

Thank you for joining us. We will commence shortly



IMPORTANT NOTICE

This presentation contains factual information and general advice only. 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 considering acquiring a financial product you should obtain the relevant product disclosure statement before making any decision.

The taxation information in the presentation is factual information only. If you require taxation advice you should consult your accountant or tax adviser.



MAIN FEATURES AND BENEFITS



YOUR INSURANCE COVER



CALCULATING YOUR DEFINED
BENEFIT



HOW TELSTRASUPER CAN ASSIST



CONTRIBUTING TO YOUR SUPER



ACTIONABLE ITEMS



ACCESS THE INVESTMENT MARKET



QUESTIONS



MAIN FEATURES AND BENEFITS





Fee-free

- ✔ Benefit based on a set formula independent of investment performance
- ✔ No investment risk to the member
- ✔ Employer and personal contributions



Insurance cover

- ✔ Default Death and Total & Permanent Disablement (TPD) Cover
- ✔ Voluntary Death Cover of any amount, subject to insurance underwriting
- ✔ Voluntary TPD Cover of up to \$5 million, subject to insurance underwriting



Investment choice

- ✔ The option of opening a Voluntary Accumulation Account (VAA) to access a broad range of investment options



Other features

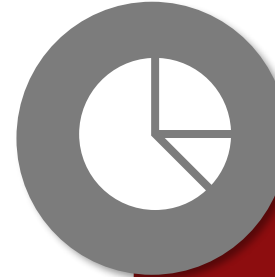
- ✓ Income protection is not available, however members can apply for cover via a TelstraSuper Personal Plus
- ✓ Upon leaving Telstra your DB account will automatically transfer to TelstraSuper Personal Plus (accumulation)

Defined benefit vs. Accumulation



Defined benefit

- Formula based
- No investment risk to the member
- No investment choice
- Funded by employer



Accumulation

- Potentially higher returns
- Risk of investment losses
- Investment choice
- Member pays fees/costs



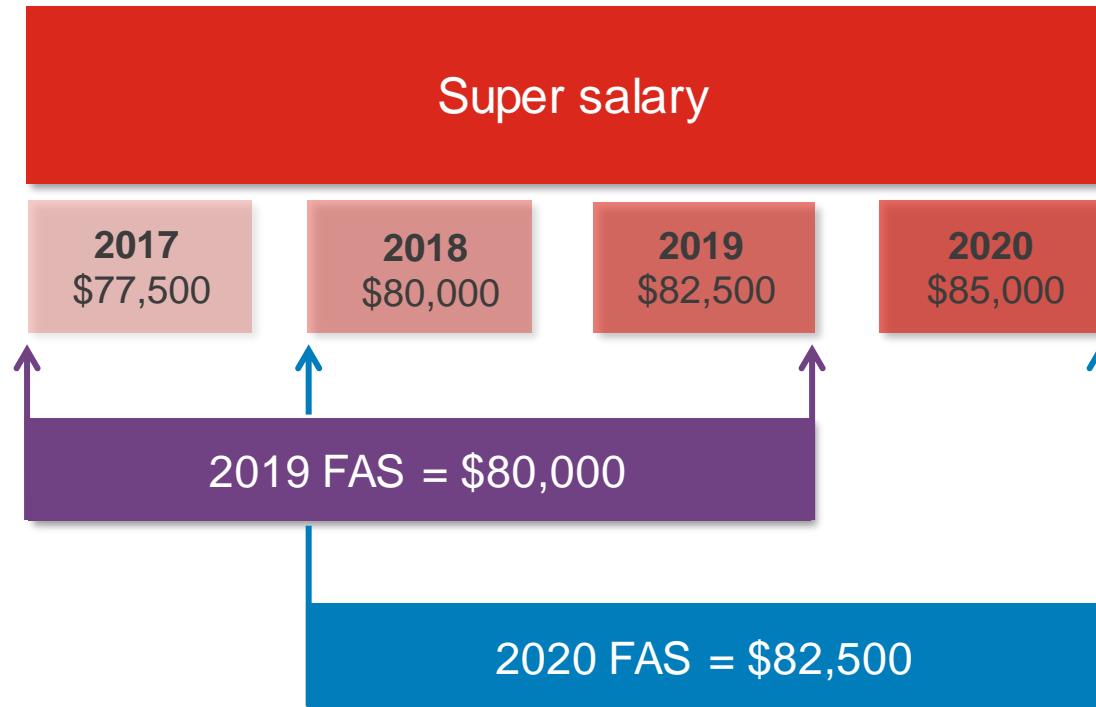
CALCULATING YOUR DEFINED BENEFIT



Defined benefit formula



Final Average Salary (FAS)



- Your FAS is recalculated each birthday
- FAS = average of last 3 years

Your benefit multiple



*A separate multiple is calculated for each period of TelstraSuper Division 2 Membership for which you have a different contribution rate.

Refer to the TelstraSuper Division 2 Defined Benefit guide 1 March 2021 for full terms and conditions.

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Optimal average contribution rate


The optimal
Average Contribution Rate
for TelstraSuper Division 2
is **5%**

Table A – Average Contribution Rate less than 5%

Your Elected Contribution Rate	Accrual Percentage
0%	8%
1%	10.4%
2%	12.8%
3%	15.2%
4%	17.6%
5%	20%
6%	22.4%
7%	24.8%
8%	27.2%
9%	29.6%
10%	32%

Table B – Average Contribution Rate equal to or greater than 5%

Your Elected Contribution Rate	Accrual Percentage
0%	8%
1%	10.4%
2%	12.8%
3%	15.2%
4%	17.6%
5%	20%
6%	21%
7%	22%
8%	23%
9%	24%
10%	25%

 Includes Telstra support

Financial advice is available through Telstra Super Financial Planning (TSFP) AFSL218705 if you wish to discuss increasing your contributions to catch up for previous years, call us on 1300 033 166 for a consultation.

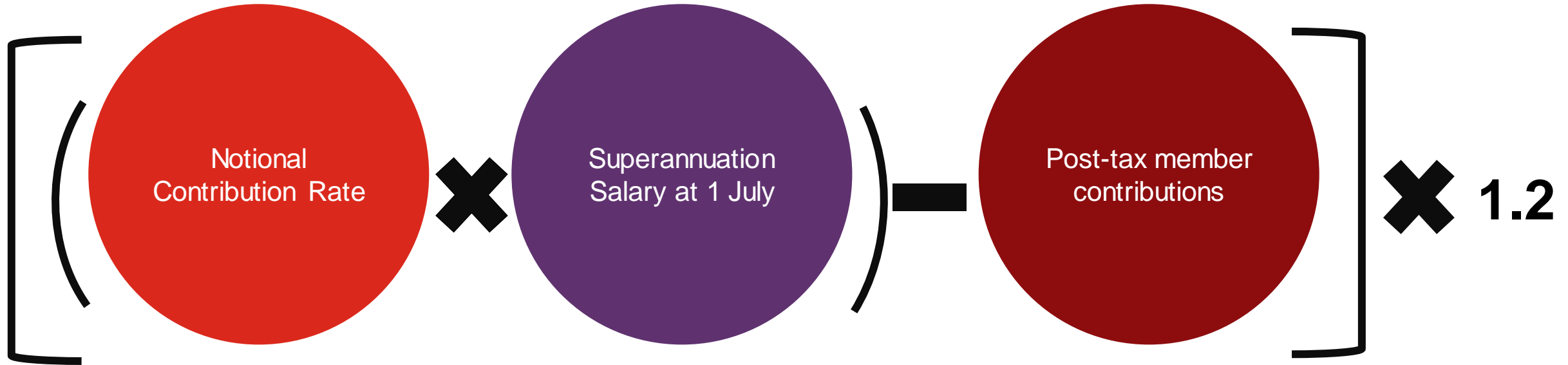


**CONTRIBUTING TO
YOUR SUPER**



Notional Taxed Contributions (NTC)

The formula for calculating Notional Taxed Contributions:



Current Contribution Rate	0%	1%	2%	3%	4%	5% to 10%
Notional Taxed Contribution Rate	5%	6%	7%	9%	10%	12%

Notional Taxed Contributions (NTC)



Terry

41-year-old TelstraSuper Division 2 member
 Superannuation Salary: **\$75,000**

For 2020/21 financial year

Pre-tax contributions: **5%** of his Superannuation Salary
 Notional Taxed Contribution Rate: **12%**

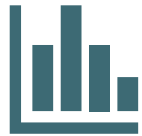
(Terry's Notional Taxed Contribution Rate 12% x Super Salary at 1 July \$75,000)	\$9,000
Less post-tax member contributions to his defined benefit	- \$0
Sub total	\$9,000
Multiplied by	X 1.2
Equals Terry's Notional Taxed Contributions	= \$10,800



**ACCESS THE
INVESTMENT MARKET**



Voluntary Accumulation Account



INVESTMENTS

The opportunity to use Member Investment Choice to build your super the way you want



CONTRIBUTIONS

Member contributions (if you make any)

Government co-contribution (if applicable)



ROLL-INS

Super you may roll-in (transfer from another super fund)



FEES AND CHARGES

Admin fees of \$1.50 per week (currently paid by Telstra) and 0.20% of balance p.a.

Competitive investment fees



**YOUR INSURANCE
COVER**



Default death and TPD cover

No cost up to age 60



If younger than 60,
benefits are
calculated as if you
had retired at age 60



If older than 60,
benefits are calculated
the same as if you had
retired on the day of
your death or
TPD



Voluntary cover

Apply for any amount of
Voluntary Death Cover*



Apply for up to
\$5 million in
Voluntary TPD
Cover*



To apply for Voluntary Cover over the phone with our insurer, MLC Life Insurance, complete an Insurance Telephone Application Request form available at telstrasuper.com.au/forms or call us on 1300 033 166 to have the form sent to you.

*Subject to insurance underwriting requirements.



ACTIONABLE ITEMS



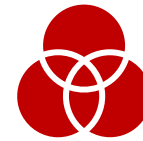
Where to from here?



Review your DB benefit, investments in the VAA (if any), insurance cover, beneficiaries



Review your contribution to ensure you are making the most of Telstra's support



Assess if your current DB arrangement aligns with your long-term financial goals



Seek advice from TelstraSuper Financial Planning should you require tailored advice



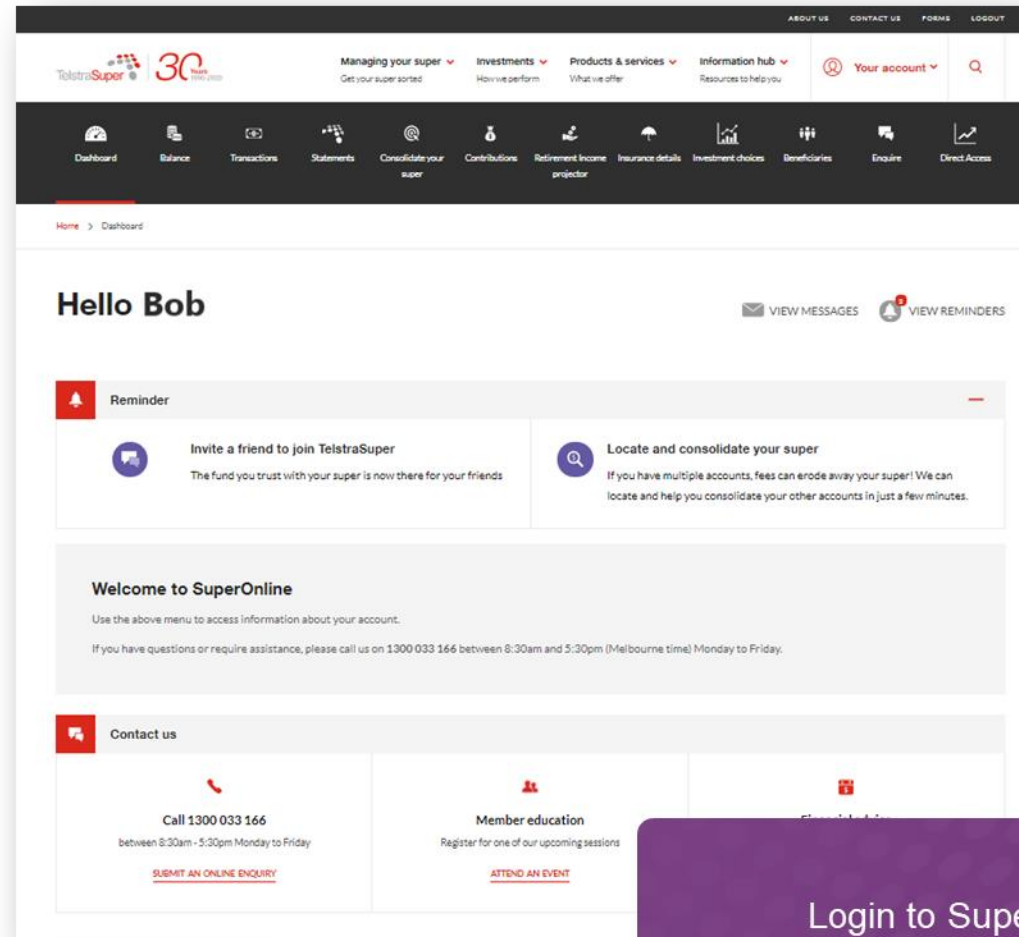
HOW TELSTRASUPER CAN ASSIST



HOW TELSTRASUPER CAN ASSIST SuperOnline



- ✓ Update your email address and personal details
- ✓ Check your account balance
- ✓ View your nominated beneficiaries
- ✓ Make a non-binding nomination
- ✓ Review your investment options
- ✓ Benefit statements
- ✓ Latest contributions



Login to SuperOnline at
telstrasuper.com.au

Financial advice

General and simple advice

- ✓ General and simple personal advice over the phone about your TelstraSuper account including contributions, investment options and insurance cover through TelstraSuper
- ✓ Provided at no additional cost as part of your membership

Comprehensive financial advice

- ✓ Comprehensive personal advice available on a one-off or on-going basis. An advice fee applies
- ✓ Ongoing advice service is available at a competitive price

General advice, simple advice and comprehensive advice are provided by Telstra Super Financial Planning Pty Ltd (TSFP) AFSL 2 18705– which is wholly owned by

Telstra Super Pty Ltd (TSPL). Refer to TSFP Financial Services Guide (FSG), dated 1 December 2020 for important information about the services.

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Comprehensive advice

TelstraSuper Financial Planning Advisers can provide comprehensive personal advice on a range of super and non-super topics, including TelstraSuper's products.

<p>Ensure your assets are distributed according to your wishes, so that they go to the right people in the most tax-effective way.</p>	<p>Estate Planning</p>	<p>Build wealth outside of super</p>	<p>Help you understand your options for investing outside super such as through managed funds, annuities or investment bonds.</p>
<p>Ways to maximise your super savings as you approach retirement. Put plans in place now to help you meet your long-term retirement savings needs and goals.</p>	<p>Get ready for retirement</p>	<p>Protect your family and your finances</p>	<p>Put the right insurance in place to protect you and your family in times of financial need.</p>
<p>Strategies to ensure your money works hard for you in retirement, including eligibility to social security benefits and tailored investment portfolios.</p>	<p>Plan and manage your retirement income</p>	<p>Budget cash flow and tax</p>	<p>Tailor your wealth and investment strategies to cater for your budget, cash flow needs and personal tax implications.</p>



**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



**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



telstrasuper.com.au



**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.**