



Retirement considerations

EFFECTIVE JULY 1 2025

Please note that the information in this webcast is accurate as of the date shown at the beginning of the presentation. The rates, caps, and thresholds mentioned are subject to change. For the latest information, please visit the ATO website.





We acknowledge the Traditional Owners of the country throughout Australia and pay our respects to their Elders – past and present.

'Bandak Boodjar' by Rhys Paddick





Prepared by UniSuper Management Pty Ltd ABN 91 006 961 799 (USM) on behalf of UniSuper Limited ABN 54 006 027 121 the trustee of the fund UniSuper ABN 91 385 943 850.

This presentation provides general information which may not be suited to your situation. You should consider your personal circumstances before making financial decisions, because we haven't, as well as the relevant PDS, TMD and financial services guide on UniSuper's website.

UniSuper Advice is operated by USM, which is licensed to provide financial product advice.

To the extent that this webcast contains information which is inconsistent with the UniSuper trust deed and regulations (together, the Trust Deed), the Trust Deed will prevail.

Agenda



- 01 Challenges in retirement
- 02 Establishing retirement objectives
- 03 Contribution strategies
- 04 Income in retirement
- 05 How we can help

Challenges in retirement

NON-FINANCIAL OBJECTIVES

- staying connected
- keeping active and healthy
- sharing knowledge and volunteering.

FINANCIAL OBJECTIVES

- investing outside of super
- when to access your super?
- estate planning
- Age Pension and aged care.

Let's think about retirement

COMMON QUESTIONS
FINANCIAL ADVISERS
GET ASKED

“When can I afford it?”

“How much is enough?”

“What will it look like?”



How much do I need?

	MODEST LIFESTYLE	COMFORTABLE LIFESTYLE
Single	\$32,897 p.a.	\$51,805 p.a.
Couple	\$47,470 p.a.	\$73,077 p.a.

	LUMP SUM REQUIRED FOR COMFORTABLE LIFESTYLE*
Single	\$595,000
Couple	\$690,000

	AVERAGE RETIREMENT BALANCE
Male	\$359,870
Female	\$289,179



Source: ASFA Retirement Standard December quarter 2024 | *Figures assume home ownership and receipt of part Age Pension

Types of contributions and limits

BEFORE-TAX 15% (CONCESSIONAL) CONTRIBUTIONS

Employer
Salary Sacrifice

\$30,000 p.a.

AFTER-TAX (NON-CONCESSIONAL) CONTRIBUTIONS

Voluntary
Spouse

**\$120,000 p.a.
or up to \$360,000
over 3 years***

*must be under age 75. Non-concessional contribution cap is dependent on your total super balance. These caps are as of 1 July 2025.

Salary sacrifice **in action**

CASE STUDY: SARAH

Sarah; **aged 51**, she's earning **\$100,000**; wants to salary sacrifice **\$10,000 p.a.**

	SALARY SACRIFICE	IF TAKEN AS INCOME
\$10,000 of salary	Taxed at 15% (\$1,500)	Taxed at marginal rates of 30% plus Medicare levy (\$3,200)

This equates to a tax saving of **\$1,700 p.a.**, plus her **super is boosted around \$8,500**



Compound returns **in action**

CASE STUDY: SUE AND REGGIE

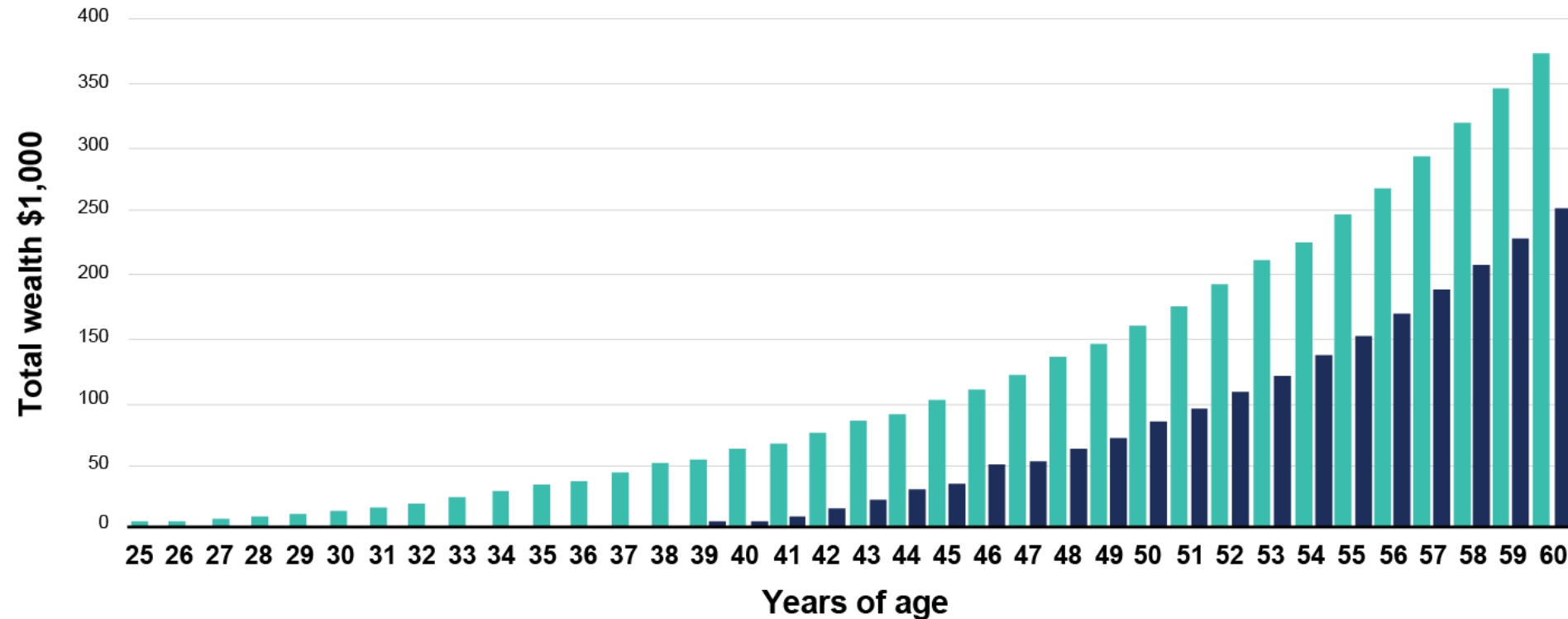
Meet Sue and Reggie.

Both are 60 years old.

Both have been topping up their super with extra contributions.

	SUE	REGGIE
Starts investing at age	25	40
Invests in super until age	60	60
Investment timeframe	35 years	20 years
Additional investment in super per year	\$2,000 per year	\$5,000 per year
Total additional amount invested	\$70,000	\$100,000
Investment value at age 60	\$372,204	\$247,115

Benefits of compounding returns



REGGIE
\$247,115



SUE
\$372,204

For the purpose of this illustration, the modelling assumes an investment return of 8% p.a. No allowance has been made for taxation or investment fees and charges. Lower (or negative) investment returns and/or periods of market volatility, and the factoring in of taxation or investment fees and charges would affect the analysis and could change the comparison. Both contributions (\$2,000 each year and \$5,000 each year) are assumed to be after-tax contributions. This example is for illustrative purposes only and does not relate to any of UniSuper's investment options. Figures are nominal values and have not been adjusted to reflect the likely impact of future inflation.

Carry forward unused cap amounts

Total super balance
Less than \$500,000

AND

Before-tax contributions
Less than concessional
contributions cap

Catch-up missed contributions for 5 years

Catch-up concessional contributions

CASE STUDY: SARAH

Super balance **\$200,000**

2020/21 total employer contributions of **\$9,500**, and **\$10,000** salary sacrifice contributions.

Assuming her contributions increase to **\$20,000** total in 2021/22 and **\$20,500** in 2022/23 and **\$21,000** in 2023/24 and **\$21,500** in 2024/25.

This leaves her with the ability to make contributions of \$62,000, consisting of catch-up contributions of \$35,000 (\$5,500 + \$7,500 + \$7,000 + \$6,500 + \$8,500) in addition to the annual cap of \$30,000 for 2025/26.

Investment objectives

CAPITAL PRESERVATION AND TIME

How long do you
have to invest?

RISK VS. RETURN

Wealth accumulation vs.
capital preservation

VALUES AND BELIEFS

Consider ESG issues in
addition to desired returns.

Investment options

- UniSuper has a wide range of investment options.
- You can choose pre-mixed investments, or you can build your own portfolio with sector options.



Accessing **your super**

You can access your super when you reach your 'preservation age' — depending on when you were born, and when you retire.

DATE OF BIRTH	AGE YOU CAN ACCESS YOUR SUPER
Before 1 July 1961	Age reached
July 1961 to June 1962	Age reached
July 1962 to June 1963	Age reached
July 1963 to June 1964	Age reached
After 30 June 1964	60

Case study: Sarah

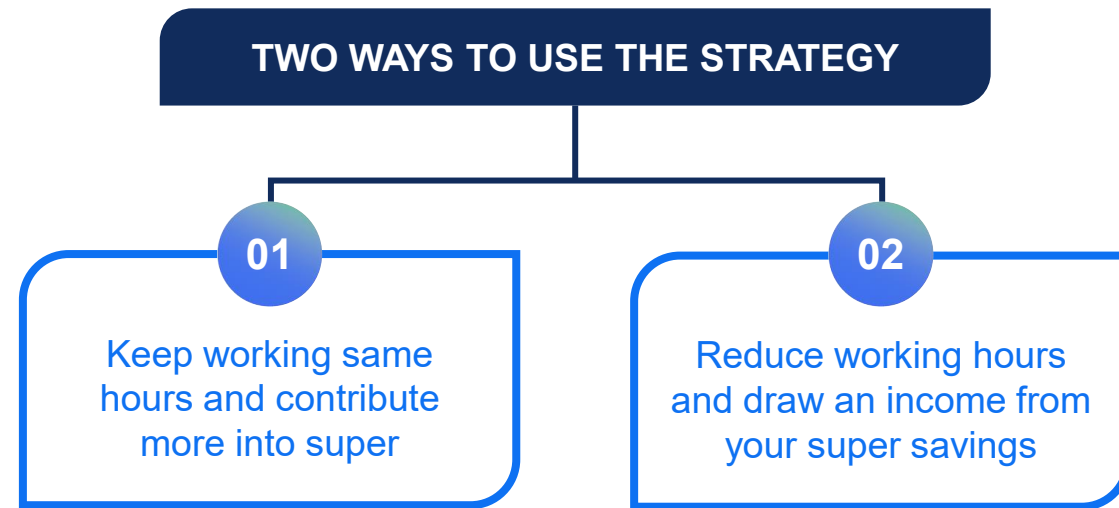
- Age: 60 years old
- 5 years away from retirement
- Wants to slow down and is considering her retirement options now.



Transition to retirement strategy

(TTR)

- Access super while you're still working
- You must have reached your preservation age
- You must be under age 65



Transition to retirement considerations

Why are you
doing it?

What are your
income needs?

Do you receive
any Centrelink
entitlements?

What are the tax
implications?

Designing your financial future

SUPER OPTIONS WHEN YOU RETIRE

- Remain in super indefinitely
- Access super as a lump sum
- Use super to set-up a retirement income stream
- Combination of some or all options



Retirement income options

LIFETIME INCOME STREAMS

- pays an income for life
- indexed in line with the Consumer Price Index (CPI)
- Income is not affected by movements in investment markets.

ACCOUNT-BASED INCOME STREAMS

- choose your annual income – subject to a minimum each year
- choose payment frequency
- make lump-sum withdrawals
- choose your investment options
- Once the account falls below \$10,000 the remaining funds will be paid in full or transferred back to Accumulation for TTR members.

The difference between retirement income products

	LIFETIME INCOME STREAMS (LIFETIME INCOME)	ACCOUNT-BASED INCOME STREAMS (FLEXI PENSION)
Income for life	Yes	Potentially, yes
Change payment frequency	No	Yes
Access to lump sums	No	Yes (not available for TTR)
Spouse payment on death	Potentially, yes	Potentially, yes
Investment choice	No	Yes
Inflation increase	Yes	No
Capital growth	No	Potentially, yes

Government Age Pension

IF YOUR DATE OF BIRTH IS BETWEEN	YOU'RE ELIGIBLE AT
1 July 1952 to 31 December 1953	65 years and 6 months
1 January 1954 to 30 June 1955	66 years
1 July 1955 to 31 December 1956	66 years and 6 months
From 1 January 1957 onwards	67 years

Sarah and Mario

- Home **\$750,000**
- Home contents, cars **\$55,000**
- Cash and shares **\$35,000**
- Sarah's UniSuper **\$480,000**
- Mario's super **\$200,000**



Sarah and Mario's **income**

ASSETS	FLEXI PENSION	DEFINED BENEFIT INDEXED PENSION	50/50 – FLEXI / DB INDEXED PENSION	LIFETIME INCOME
Cash and shares	\$1,500	\$1,500	\$1,500	\$1,500
Sarah's UniSuper	\$24,000	\$36,050	\$12,000 (F) \$18,025	\$27,356
Mario's super	\$10,000	\$10,000	\$10,000	\$10,000
Centrelink (combined)	\$22,534	\$32,173	\$37,584	\$37,510
Total	\$58,034	\$79,723	\$79,109	\$76,366

These figures are an example only. Calculations for DB Indexed Pension will vary for different members. Figures are based on Centrelink figures on 1 July 2025. Lifetime Income is based on May 2025 quote for \$480,000 invested by 67 year-old joint life, assumed assessed by Centrelink as lifetime income stream (i.e., 60% assets and income).

Final considerations

IT'S IMPORTANT TO UNDERSTAND:

- your retirement objectives
- how to fund your living expenses after employment
- lump sum vs. an income stream in retirement
- taxation and income stream options
- investment alternatives.





How we can help

UNISUPER ADVICE



unisuper.com.au/superbookings

1800 823 842

advice@unisuper.com.au

Questions?

Download the UniSuper app today.

