Planning your retirement

What to think about before you stop working

September 2021
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2.45 million Australians trust us to look after $233 billion* of their retirement savings.

With our history of strong long-term returns, our low fees and member-first approach, we can help you achieve your best possible retirement.

*At 30 June 2021.
What will retirement look like?

You’ve spent your life building your savings, so you can enjoy life when you stop working.

Depending on when you stop working, you might be retired for 20 years or more. Have you given much thought to what your lifestyle will look like once you stop working? It’ll be different for everybody, but here are a few things to consider.

What will your expenses be?

› **Housing**: do you own or rent? Think about what this will cost in the future. Are there renovations or upkeep expenses you should factor in?

› **Travel**: whether it’s to visit family or see new sights, you might want to set aside a budget for regular getaways.

› **Car**: consider maintenance costs for your car. Will you need a new car in the next 10–20 years?

› **Children and family**: as your family grows up, do you plan to offer additional financial support?

› **Health and wellbeing**: you might need to set aside more money for medical expenses like preventative health checks.

› **Hobbies**: maintaining your hobbies or trying out new ones could start to add up.

› **Other expenses**: will you have money set aside to cover unforeseen expenses and emergencies?
What won’t you need anymore?

› **A large house:** you might consider downsizing if the family home is no longer suitable. You may be able to put some of the downsizing proceeds into your super – see page 17 for more details.

› **Additional cars:** is one car enough now that your lifestyle has changed?

› **Daily travel expenses:** if you’re not travelling to and from work every day, you might find you save on public transport and parking costs.

How will you spend your time?

› **Hobbies:** you may already have some, or you might use your spare time to learn something new. Hobbies are a great way to keep in touch with friends and meet new people.

› **Travel:** explore the world or your own backyard.

› **Activities with family and friends:** social outings are a big part of most people’s lives. You might find you’re busier than ever once you’ve got more downtime.

› **Volunteer:** many retirees find volunteer work a rewarding way to use their spare time.

› **Exercise:** keeping fit can help maintain both physical and mental health.

› **Working part-time:** you might prefer to keep working, or start a new or different job once you’ve retired.
Many people retire earlier than they planned to

- 49% Earlier than planned
- 41% At the age expected
- 10% Later than planned

About 28%* of Australians believe they’ve saved enough for retirement


Most of the time it’s for health reasons

13% To take care of family/friends
54% Health issues, accident or disability
19% Became unemployed

Planning when to retire

Not being able to choose when you retire is common and can have a big impact on your financial situation. Feeling confident about and planning for your retirement is about more than money.

Learn more about which factors can impact your retirement confidence at australiansuper.com/retirement-confidence-index

Source: Investment Trends Retirement Income Report (October 2020) based on the top three reasons from respondents who retired earlier than planned.
Where will it come from?
For most of us, income in retirement will be a combination of superannuation and Government support like the Government Age Pension.

The challenge is, many people find that even if they’re eligible for the Government Age Pension, it may not be quite enough to live comfortably. One option is to use your super to top up any Age Pension payments you’re eligible for, giving you more income to cover everyday expenses like groceries and bills.

Work out what you’ll need
To set your financial goals, you’ll need to consider a few things.

What money will you live on in retirement?
Most retirees receive income from at least a couple of sources. These may include the money in your super account and investments outside super. The money you live on in retirement may also include some kind of pension payment or allowance from the Government. See page 31 to learn more about the Government Age Pension.

Components of retirement income

<table>
<thead>
<tr>
<th>Government Age Pension</th>
<th>Super</th>
<th>Savings</th>
<th>Investments</th>
</tr>
</thead>
</table>

Where will it come from?
For most of us, income in retirement will be a combination of superannuation and Government support like the Government Age Pension.

The challenge is, many people find that even if they’re eligible for the Government Age Pension, it may not be quite enough to live comfortably. One option is to use your super to top up any Age Pension payments you’re eligible for, giving you more income to cover everyday expenses like groceries and bills.
When to access super
In Australia, you may be able to access your super when you reach preservation age. This varies depending on when you were born.

<table>
<thead>
<tr>
<th>If you were born...</th>
<th>You can access your super at...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 1 July 1960</td>
<td>55</td>
</tr>
<tr>
<td>1 July 1960 – 30 June 1961</td>
<td>56</td>
</tr>
<tr>
<td>1 July 1961 – 30 June 1962</td>
<td>57</td>
</tr>
<tr>
<td>1 July 1962 – 30 June 1963</td>
<td>58</td>
</tr>
<tr>
<td>1 July 1963 – 30 June 1964</td>
<td>59</td>
</tr>
<tr>
<td>1 July 1964 or after</td>
<td>60</td>
</tr>
</tbody>
</table>

Depending on your income and assets, you may also be eligible for the Government Age Pension when you reach qualifying age. This may be 65, 66 or 67 depending on your birthdate (see page 31).

How much money will you need?
Whatever your retirement plans, you’ll need money put away to meet your daily expenses, as well as any unexpected costs. It will also depend on any outstanding debts you might have. The table on the next page might give you an indication of how much you’ll need, but the exact amounts will depend on your lifestyle.

Are you on track?
Use our super projection calculator to work out how much money you could get in retirement, how long your super could last and how adding a few extra dollars to your super now, could make a big difference when it’s time to retire.

Visit australiansuper.com/SuperProjection
How much will retirement cost? ASFA Retirement Standard
This table might help you work out how much you’ll need.

<table>
<thead>
<tr>
<th>Expenditure items</th>
<th>Couple Comfortable lifestyle</th>
<th>Couple Modest lifestyle</th>
<th>Single person Comfortable lifestyle</th>
<th>Single person Modest lifestyle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing</td>
<td>$125.70</td>
<td>$115.29</td>
<td>$120.36</td>
<td>$102.60</td>
</tr>
<tr>
<td>Electricity and gas</td>
<td>$51.55</td>
<td>$44.07</td>
<td>$41.57</td>
<td>$32.81</td>
</tr>
<tr>
<td>Food</td>
<td>$212.77</td>
<td>$175.54</td>
<td>$122.42</td>
<td>$94.68</td>
</tr>
<tr>
<td>Communications</td>
<td>$29.06</td>
<td>$20.11</td>
<td>$22.33</td>
<td>$17.85</td>
</tr>
<tr>
<td>Household goods &amp; services</td>
<td>$94.48</td>
<td>$40.38</td>
<td>$76.80</td>
<td>$34.39</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>$50.97</td>
<td>$38.94</td>
<td>$27.37</td>
<td>$20.49</td>
</tr>
<tr>
<td>Transport</td>
<td>$158.68</td>
<td>$95.73</td>
<td>$146.26</td>
<td>$89.62</td>
</tr>
<tr>
<td>Health services</td>
<td>$197.24</td>
<td>$99.30</td>
<td>$105.37</td>
<td>$51.45</td>
</tr>
<tr>
<td>Leisure</td>
<td>$283.16</td>
<td>$152.82</td>
<td>$188.35</td>
<td>$97.37</td>
</tr>
<tr>
<td><strong>Total weekly expenditure</strong></td>
<td><strong>$1,203.60</strong></td>
<td><strong>$782.17</strong></td>
<td><strong>$850.81</strong></td>
<td><strong>$541.27</strong></td>
</tr>
<tr>
<td><strong>Total annual expenditure</strong></td>
<td><strong>$62,828</strong></td>
<td><strong>$40,829</strong></td>
<td><strong>$44,412</strong></td>
<td><strong>$28,254</strong></td>
</tr>
</tbody>
</table>

These figures are from the Association of Superannuation Funds of Australia’s (ASFA) Retirement Standard, detailed budget breakdowns for the March quarter 2021 for retirees aged 65–85. (Figures shown for single person are for a single female. All figures are for homeowners.)

The Retirement Standard is updated quarterly to reflect inflation and provides detailed budgets of what couples and singles would need to spend to support their chosen lifestyle.

Find out more at superannuation.asn.au/Resources/Retirement-Standard

Plan your budget
If you’re not sure where your hard-earned cash is going each week, planning your spending can help. Plan your expenses with the Budget planner template.

Check out the Budget planner template at moneysmart.gov.au
Keep your money working for you

You don’t have to withdraw your super to access it when you reach preservation age. There are other options to consider. It all depends where you’re at and what you want to achieve. Either way, keeping your money invested with AustralianSuper means more potential investment returns in the long run.*

Keep working with TTR Income
You can continue working as you transition to retirement with a TTR Income account. This way you could save more or work less in the lead up to your retirement.

We’ll look at TTR Income in more detail on pages 22-26.

Retire with Choice Income
Choice Income is an account based pension that gives you a regular income when you’re retired.

You still have full control of your money and can make withdrawals at any time†

We’ll look at Choice Income on pages 28-30.

* Investment returns aren’t guaranteed. Past performance isn’t a reliable indicator of future returns.
† Must meet conditions of release.
How to get ready

There are five steps you can take to get ready for retirement. By acting now we can work together to make the most of your super savings.

5 steps to get started:

1. Reduce debt
2. Combine your super
3. Add to your super
4. Check your insurance
5. Nominate beneficiaries

STEP 1
Reduce debt

While you’re still working, you might want to focus on paying off your debts. For a lot of people, it makes sense because you’ll pay less interest and you may not have to use all of your super to pay off debts, leaving you some super for your retirement.

Whatever your situation, a financial adviser can help you work out the best way forward. Find out about our advice options on page 38.
STEP 2
Combine your super

If you have more than one super account, you could be wasting money paying more than one set of fees. The more fees you pay, the less super for you.

Source: SuperRatings 20 June 2021. Comparisons are for admin and investment fees over a year for the AustralianSuper Balanced option, the average super fund. The AustralianSuper example is based on the investment fee for the Balanced option for FY 2020/21 and the admin fee effective from 1 April 2020. Other fees and costs may apply. Fees differ for Choice Income (our account based pension). See australiansuper.com/fees for full details of all fees and costs.

Before combining your super, you should ask your super provider for information about any fees or charges that may apply, or any other information about the effect this transfer may have on your benefits, such as insurance cover.

Find out more at australiansuper.com/combine or through your online account at australiansuper.com/login
STEP 3
Add to your super

Small amounts can make a real difference to your final super balance. Adding a few extra dollars today means you’ll have more savings down the road*.

Making additional contributions to your super can also benefit you now, not just in the future, because making voluntary contributions could mean you pay less tax overall. And the earlier you add, the more it could become – because it has time to grow.

You can add to your super in different ways:
› salary sacrifice (before tax)  › after-tax contributions
› Government co-contributions  › spouse contributions
› downsizer contributions.

**Salary sacrifice (before tax)**
Adding to your super from your before-tax salary can be a great way to give your super savings a boost, while also reducing the amount of income tax you pay. When you salary sacrifice, your employer diverts some of your salary directly into your super instead of your takehome pay.

Salary sacrificing could help you save money by reducing your taxable income, and saving more on tax.

The money you salary sacrifice into your super is taxed at 15% (if your income is over $250,000 an additional 15% applies). Compare this to your usual tax rate which can be as high as 47%. This is why it usually benefits middle to high income earners – because the tax on super contributions is less than the tax paid on salary income.

**Check with your employer**
Some benefits that are based on your salary level, like compulsory employer super contributions, holiday loadings, shift allowances and overtime may be reduced if you decide to use salary sacrifice, so it’s a good idea to speak to your employer first.

**How much you can salary sacrifice**
You can add up to $27,500 (this limit includes your employer’s Superannuation Guarantee payments) from your before-tax income every year without incurring higher tax.

You might be eligible to claim a tax deduction on personal contributions. Tax-deductible super contributions are treated as concessional contributions and are included in the same annual concessional contributions cap. You must lodge a notice of intention with us before you claim a tax deduction.

* You should consider your debt levels, contribution caps that may apply and tax issues before adding to your super.
Unused concessional carry forward rule
If you have a total superannuation balance of less than $500,000 on 30 June of the previous financial year, you may be entitled to contribute more than the general concessional contributions cap and make additional concessional contributions for any unused amounts from previous years.

The first year you will be entitled to access and carry forward unused amounts is the 2019/20 financial year. Unused amounts are available for a maximum of five years, and after this period will expire.

Add to your super after tax
If your total super balance is less than $1.7m, generally you can add money to your super after you’ve been paid (after-tax). After-tax contributions are known as ‘non-concessional contributions’.

The good news is that any contributions you make from your after-tax income aren’t taxed when they go into your account or when you make a withdrawal because you’ve already paid tax on that money.

After-tax contributions can be beneficial for low to middle income earners and those who aren’t working. That’s because depending on your situation, making after-tax additions to your super could result in a co-contribution or tax offset from the Government. See next page for more information.

How much you can add to your super after tax

<table>
<thead>
<tr>
<th>After-tax salary</th>
<th>After-tax contribution limits*</th>
<th>Boost your super savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>66 or under</td>
<td>$110,000 per year or Up to $330,000 – three years’ worth of contributions can be made in one year†</td>
<td>Super</td>
</tr>
<tr>
<td>67 to 74</td>
<td>$110,000 per year‡</td>
<td></td>
</tr>
</tbody>
</table>

* Additional super contributions are only available to individuals with a total super balance (on 30 June of the previous financial year) under the general transfer balance cap – currently $1.7m. For more information on these thresholds visit the ATO website.
† If you’re under 67 you can access the bring forward rules if your total super balance (on 30 June of the previous financial year) is under the general transfer balance cap. The bring forward period is triggered when you first exceed the after-tax contribution cap for that financial year. Any amounts above this may be withdrawn along with associated earnings, which will be taxed at your marginal tax rate. Excess contributions left in your account will be taxed at 47% (includes 2% Medicare levy).
‡ If you’re 67 to 74, you can only make personal after-tax super contributions if you meet the work test or qualify for the work test exemption.
Non-concessional bring forward rule
You can add up to $110,000 after-tax to your super each year, and if you’re under 65 during the financial year and trigger the bring forward rule, you can add up to $330,000 over up to 3 years – see table below.

Non-concessional contributions bring-forward period*

<table>
<thead>
<tr>
<th>Total superannuation balance on 30 June 2020</th>
<th>Non-concessional contributions cap for the first year</th>
<th>Bring-forward period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $1.48 million</td>
<td>$330,000</td>
<td>3 years</td>
</tr>
<tr>
<td>$1.48 million to less than $1.59 million</td>
<td>$220,000</td>
<td>2 years</td>
</tr>
<tr>
<td>$1.59 million to less than $1.7 million</td>
<td>$110,000</td>
<td>No bring forward period, general non-concessional contributions cap applies</td>
</tr>
<tr>
<td>$1.7 million or more</td>
<td>Nil</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Government co-contributions
If you earn less than $56,112 per year (before-tax), and make after-tax contributions, the Government will also contribute to your super.†

What is a co-contribution?
Depending on how much you earn, and if you make after-tax contributions to your super account, the Government also makes a contribution (called a co-contribution) up to a maximum amount of $500. The co-contribution is tax free and isn’t taxed when it’s deposited into, or withdrawn, from your super account.

* You must be under age 67 during the financial year you first contribute more than $110,000.
† You must have a total super balance below the $1.7 million transfer balance cap, be under 71 years of age at the end of the tax year you made the eligible personal super contribution, and not exceed your non-concessional contributions cap for that financial year. Thresholds effective for financial year 2021/22. Other conditions apply.

Learn how you can add to your super with Government co-contributions at australiansuper.com/forms
How much will you get?
How much you receive depends on your total income and how much money you add to your super from your after-tax pay. If you earn $41,112 or less, you could receive the full $500 bonus if you add $1,000 or more to your super from your take-home pay.

If you earn between $41,112 and $56,112, you’ll still get a Government co-contribution, but not the full amount.

The Government co-contribution amount depends on your income

<table>
<thead>
<tr>
<th>Your total annual income FY21/22*</th>
<th>You contribute</th>
<th>Government contributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>$41,112 or less</td>
<td>$1,000</td>
<td>$500</td>
</tr>
<tr>
<td>$41,112 to $56,112</td>
<td>$1,000</td>
<td>$0 to $500</td>
</tr>
<tr>
<td>More than $56,112</td>
<td>$1,000</td>
<td>$0</td>
</tr>
</tbody>
</table>

Spouse contributions†
Making payments into your spouse’s super is a great way to build your combined nest egg, while saving tax at the same time.

If your spouse’s assessable income is less than $40,000 a year, they can add up to $3,000 a year into your super and receive a tax offset. Your income must be $37,000 or less to receive the full tax offset of $540, but you may still receive a partial offset if you earn up to $40,000.

Downsizer contribution†
From 1 July 2018, the Australian Government introduced a ‘downsizing’ measure which applies to the sale of your home (your main residence), where the exchange of contracts for the sale occurs on or after 1 July 2018.

If you are 65 years or older and meet the eligibility requirements, you may be able to add up to $300,000 as an individual or $600,000 as a couple into super from the proceeds of selling your home.

* Assessable income, plus reportable employer super contributions, plus reportable fringe benefits for the 2021/22 financial year.
† Additional eligibility criteria may apply. For more details visit ato.gov.au

Find out more at australiansuper.com/spouse
Or for information about the downsizer contribution, head to the Australian Taxation Office website ato.gov.au
STEP 4
Check your insurance

Money when it matters
Most super funds offer automatic insurance to help you protect your future income and the future of the people who matter to you. But how do you know if the type and level of cover you have is right for you?

How much cover do you need?
As you get older, your insurance needs change, so you might find yourself with too much, too little or the wrong type of cover. Your cover might need to change if:
- you get married or divorced
- you add to your family (including stepchildren) or your adult children move out
- you start or end a de facto relationship
- you take out a mortgage to purchase or build your main home in Australia
- your spouse, de facto or other dependent dies.

Your cover choices
You can choose the types of cover you need:
- **Death cover** (also known as life insurance): Provides your beneficiaries with a lump sum payout if you pass away.
- **Total & Permanent Disablement (TPD) cover**: Can provide you with a lump sum payout to help out if you become totally and permanently disabled and can no longer work.
- **Income Protection**: Can provide you with access to a monthly income if you become ill or injured and are temporarily unable to work.

You can apply to increase, reduce or cancel your AustralianSuper cover any time to suit your needs. You’re not able to set up insurance cover on a Choice Income or TTR Income account, so if you want to keep your existing insurance cover it would need to remain on your super account.

To work out how much cover you need, visit [australiansuper.com/InsuranceCalculator](http://australiansuper.com/InsuranceCalculator)
STEP 5
Nominate beneficiaries

Many people don’t realise that even if you have a valid Will and you specify where you want your assets to go, this may not apply to your super.

That’s why it’s important to nominate a beneficiary, so we know who you’d like to receive your super in the event of your death.

There are a few ways you can do this:

Non-binding nominations
A non-binding nomination is not legally binding, but it means you let us know who you’d prefer to receive your super if you die. So although we’d take your wishes into account, in the end we’d have to decide who your account would be paid to according to your situation at the time and in accordance with the law.

Binding nominations
A binding nomination provides greater certainty over who receives your death benefit. If you make a binding nomination, we’ll pay your account to the person/s you’ve nominated – as long as your nomination is valid at the time of your death.

A binding nomination is valid if:
› it was made within three years of your death
› all the individuals nominated are alive at the time of your death
   (for example, if you nominated three beneficiaries and one was no longer alive at the time of your death, your nomination would be invalid)
› all the individuals nominated are eligible.
If you have a Choice Income or TTR Income account

You can make a non-binding or binding nomination, plus you have an additional option – to nominate a reversionary beneficiary. This means whoever you nominate can then choose to receive the balance of your account as an income in the event of your death. If so, they would receive regular payments from your account until the balance reaches $0.

Who you can nominate

Your beneficiaries can be:

› your spouse or partner
› your children* 
› interdependants† 
› other financial dependants‡ 
› your estate or legal personal representative.§

* Conditions apply for reversionary beneficiary nominations.
† Someone who lives with you and shares a close personal relationship where one or both of you provide financial and domestic support, and personal care of the other.
‡ Someone who relies on you financially.
§ A legal personal representative is someone who looks after your estate or will, and can’t be nominated for reversionary nominations.

For more information, visit australiansuper.com/beneficiaries
To open a TTR Income account, you must:

- Have reached your preservation age (see page 9)
- Move at least $25,000 to your new TTR Income account and leave a minimum balance of $6,000 in your super account if you would like to keep it open†

What is transition to retirement (TTR)?

Transition to retirement (TTR) is a strategy recognised by the Government that allows you to access some of your super while you’re still working. You could use TTR in two ways:

- **Save more**
  - grow your super faster
  - pay less tax

- **Work less**
  - work fewer hours
  - access your super* to top up your reduced take-home pay

while taking home a regular income

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* Government prescribed minimums and maximums apply. For details view the TTR Income Product Disclosure Statement at [australiansasuper.com/TTRGuide](http://australiansasuper.com/TTRGuide)

† To find out more about the minimum balance for your super account, visit [australiansasuper.com/AccessYourSuper](http://australiansasuper.com/AccessYourSuper)

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TTR can be complex and isn’t suited to everyone. To find out if it’s right for you, it’s a good idea to get advice. Learn more about your advice options at [australiansasuper.com/advice](http://australiansasuper.com/advice)

You can also visit our online learning module [australiansasuper.com/TTR](http://australiansasuper.com/TTR)
How TTR works

Once you reach your preservation age you can open a TTR Income account alongside your regular super account as part of your transition to retirement strategy.

The two accounts work together and may reduce the overall tax you pay while helping boost your super savings. Since you’re still working, employer payments mean your super balance continues to grow. And at the same time, you receive payments, transferred directly to your bank account.

Initially, you’ll use money from your super account to open your TTR Income account. Once your TTR Income account is set up, your two accounts will work together and help you transition to retirement.
Save more with TTR

In the years before you retire, you could save more super and pay less tax by adding to your super from your before-tax salary (using salary sacrifice).

You can then top up your pay packet with regular payments from your TTR Income account.

With TTR, you:
› could pay less tax if you’re aged 60 or older
› can speed up your rate of saving, and
› can access the rest of your money once you retire.

Example: Peter just turned 60 and is keen to add to his $175,000 super balance. He earns $60,000 a year, and is looking forward to retiring at 65. Through TTR, Peter found he could add $16,000 to his retirement savings over five years without reducing his take-home pay.
Work less with TTR
Working fewer hours as you get older can be a good way to ease into retirement, and could mean you’re able to stay in the workforce longer than you otherwise would.

With TTR, you can:
› take time to look after yourself or others, ease yourself into retirement, or extend your career by working less
› top up your pay packet with regular payments from your TTR Income account
› access the rest of your money once you retire.

Your super will also continue to grow as you keep working.

Example: Tina is 58, her take-home pay is $53,500 and she has $140,000 in super. If Tina decided to work one day less a week, her take-home pay would drop to $44,700. Tina can set up a TTR Income account to replace her reduced pay, so the money in her pocket stays the same.

This example is provided for illustration purposes only and is not a representation of the benefits that may be received or the fees and costs that may be incurred. Tina’s salary before-tax is $67,100 (5 days a week) and $53,700 (4 days a week). Calculations are based on 2021/22 tax rates and include the 2% Medicare levy, the low and middle income tax offset, and the pension tax offset. Figures have been rounded to nearest $100. It’s important to understand how long your super will last, especially if you start accessing your super at a younger age.
When you turn 65, change jobs after 60 or retire

When you turn 65 your TTR Income account will change automatically to a Choice Income account. If you tell us when you change jobs after 60 or retire, we’ll also move your account to Choice Income. Investment earnings in Choice Income are tax free.

You can learn more about Choice Income at australiansuper.com/RetirementGuide
Ready to retire now

Now that you’re approaching the next chapter of your life, it’s a good idea to consider different income options for when you stop work. This will help you plan ahead so that you can live the retirement lifestyle you want.

While some of your retirement income may come from the Government Age Pension (if eligible), you can also turn your super into a regular income with an account based pension to top up any Age Pension you may receive. This way you can enjoy life after work while keeping the rest of your savings invested to last the distance.

Components of retirement income

Government Age Pension + Account based pension – Choice Income account = More money every fortnight

Find out more about Choice Income online at australiansuper.com/ChoiceIncome or download the Product Disclosure Statement at australiansuper.com/RetirementGuide
Get a regular retirement income with Choice Income

Turn your super into a regular income with our award-winning* account based pension - Choice Income. And you can set it up to suit you.

It’s flexible so you’re in control
You can change how much income you receive and how often you want it as long as you meet Government set minimum payment amounts†. Just as importantly, your money isn’t locked away - you can withdraw extra money whenever you need it to pay for bills, holidays and other big ticket items.

Keep super invested
Better still, keeping your money invested with AustralianSuper once you’ve retired helps you control how long your savings last. You can have peace of mind knowing that AustralianSuper has a history of strong long-term returns‡.

Other benefits:
✓ your investment earnings are tax-free
✓ your income payments are generally tax-free from age 60
✓ sweeten your retirement with a Balance Booster (if you’re eligible)
✓ regular payments on top of the Government Age Pension (if you receive it).

* Received the Canstar 5-Star Rating for Outstanding Value Account Based Pension in 2020.
† The Government sets a minimum amount that must be taken as an income each year from account based pensions such as Choice Income. This amount varies with your age. To learn more view the Choice Income Product Disclosure Statement australiansuper.com/RetirementGuide
‡ Investment returns aren’t guaranteed. Past performance isn’t a reliable indicator of future returns.
**Seamless Transfer**
Are you already with AustralianSuper and invested in Member Direct investment option? If so, you could use Seamless Transfer to open a Choice Income account without having to sell and re-purchase your holdings in Member Direct, preventing the trigger of capital gains and losses.

Conditions apply. You can learn more about Seamless Transfer at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect)

**Balance Booster**
If you’re already with AustralianSuper, you could be eligible to receive an instant boost to your account balance when you move to Choice Income. It’s called Balance Booster. The amount you receive will vary depending on a few things, including your balance and investment options.

**Boosting members’ balances**
During the last financial year (2020/21), we paid over $7.7 million to nearly 6,300 members who opened a Choice Income account. The average Balance Booster paid to these members was over $1,200.*

* Based on the Balance Boosters paid up to 30 June 2021. The value of the Balance Booster will vary based on your investment circumstances. Depending on market performance, the Balance Booster may reduce to zero, but it will never be negative.

Learn more about Balance Booster at [australiansuper.com/BalanceBooster](https://australiansuper.com/BalanceBooster)
Will you get the Government Age Pension?

The Government Age Pension is a regular fortnightly income, paid by the Government via Centrelink, designed to help eligible older Australians pay for basic living expenses. If you’re eligible, it can supplement payments from your super and provide an additional income once you’ve stopped working.

Around 62%* of Australians over the age of 65 receive either a part or full Government Age Pension. And the great news is, you don’t have to spend all of your super before you can access it.

Before you can receive your first payment, you’ll need to meet age and residential requirements set by the Government. If you meet these conditions, you’ll then need to pass the Assets test and the Income test. These are used to determine your eligibility and the Government Age Pension payment amount you may receive.

### Age Pension qualifying age

<table>
<thead>
<tr>
<th>If you were born...</th>
<th>You could access the Government Age Pension at...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 1 July 1952</td>
<td>65</td>
</tr>
<tr>
<td>1 July 1952 to 31 December 1953</td>
<td>65.5</td>
</tr>
<tr>
<td>1 January 1954 to 30 June 1955</td>
<td>66</td>
</tr>
<tr>
<td>1 July 1955 to 31 December 1956</td>
<td>66.5</td>
</tr>
<tr>
<td>1 January 1957 or after</td>
<td>67</td>
</tr>
</tbody>
</table>

### Residential status

You must be an Australian resident and in Australia on the day you apply for the Age Pension. You also need to have been an Australian resident for at least 10 years. Not an Australian resident? You may still be eligible in a few circumstances. Visit Centrelink website for details.

* Source: Australian Bureau of Statistics and Department of Social Services 2019.

Find out if you’re eligible for the Government Age Pension. Try our online guide at [australiansuper.com/GAP](http://australiansuper.com/GAP)
**Assets test**
The Assets test allows you to have a certain level of assets before it affects your Age Pension payments. If you have assets higher than this level, you may still receive a pension, but it will reduce by $3.00 per fortnight for every $1,000. This is called the taper rate. If you don’t own your home, you can have more assets before your pension is affected.

<table>
<thead>
<tr>
<th>From 1 July 2021</th>
<th>To receive the maximum Age Pension, your assets must be less than:</th>
<th>You won’t receive the Age Pension if your assets are more than:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single homeowner</td>
<td>$270,500</td>
<td>$588,250</td>
</tr>
<tr>
<td>Single non-homeowner</td>
<td>$487,000</td>
<td>$804,750</td>
</tr>
<tr>
<td>Couple homeowner</td>
<td>$405,000</td>
<td>$884,000</td>
</tr>
<tr>
<td>Couple non-homeowner</td>
<td>$621,500</td>
<td>$1,100,500</td>
</tr>
</tbody>
</table>

**Income test**
The Income test allows you to earn up to a certain level of income before it affects your Age Pension payments. If you earn more than this level, the pension will reduce by 50c for a single person and 50c per couple for every dollar of income above the limit.

<table>
<thead>
<tr>
<th>From 20 March 2021</th>
<th>To receive the maximum Age Pension, your income must be less than:</th>
<th>You won’t receive the Age Pension once your income reaches:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>$180 a fortnight</td>
<td>$2,085.40 a fortnight</td>
</tr>
<tr>
<td>Couple</td>
<td>$320 a fortnight</td>
<td>$3,192.40 a fortnight</td>
</tr>
</tbody>
</table>

The Work Bonus scheme may reduce the amount of this income that’s assessed under the Income test.

Source: Department of Human Services, 1 July 2021. Centrelink generally updates the asset and income test limits in July, and Age Pension figures are updated in March and September each year. Please refer to servicesaustralia.gov.au for further information and up-to-date figures. Asset figures for a couple are combined, not per person.
Work Bonus for working longer
The Work Bonus is a Government incentive to keep older Australians in the workforce. It lets you earn up to $300 a fortnight and save any unused amount up to a maximum of $7,800 each year before your Age Pension payments are reduced.

This amount is not counted under the Income test. So if you keep working part-time, you could supplement the Age Pension and use less of your super.
Help and support

Here are a few ways the Government provides financial assistance to eligible Australians.

**Pensioner Concession Cards**
If you qualify for the Government Age Pension, you’ll also receive a Pensioner Concession Card which can be used for:

› discounts on prescription medicines via the Pharmaceutical Benefits Scheme (PBS)
› bulk billing for doctor’s appointments (if you see a doctor who bulk bills)
› more refunds for medical expenses through the Medicare Safety Net
› access to hearing services through the Office of Hearing Services.

Depending on where you live, you may also receive:

› reductions on property and water rates, energy bills and motor vehicle registration
› a telephone allowance
› reduced fares on public transport, and free rail journeys.

**Commonwealth Seniors Health Card**
If you don’t qualify for a Government pension, you still may be eligible (depending on your income) for a Commonwealth Seniors Health Card, which still gives you some of the benefits listed above.

**Rental assistance for non-homeowners**
If you qualify for Government support and don’t own your own home, you may be able to apply for rental assistance. How much you’re eligible for depends on your family situation, for example whether you are single or a couple; whether you have dependent children and if so, how many.

Find out more at servicesaustralia.gov.au
Seniors Cards for your state

Seniors Cards are generally available to Australian residents aged 60 and over who are not working full-time, regardless of income. The cards provide discounts on goods and services like transport, accommodation, restaurants, entertainment, financial products, furniture and electrical goods.

Each State and Territory Government issues its own Seniors Card and determines who’s eligible. Contact your local office to apply for a card today.
Get the right advice

Now that you’re approaching the next chapter of your life, it’s a good idea to get some advice about your finances. This way you can plan ahead.

Putting you first

Financial advisers who work with AustralianSuper are required to:
› act honestly, with integrity, and in your best interest at all times
› obey all relevant laws including the Financial Planner and Adviser Code of Ethics
› comply with industry standards and community expectations of professional practice and conduct
› maintain a program of ongoing professional development
› provide advice on a fee-for-service basis only after agreement with you
› help you make alternative arrangements if it’s in your best interests to receive advice from another provider or it’s not in your best interests to keep your AustralianSuper account.

We never pay advisers incentives, bonuses or commissions.

How your adviser can help

To help you live the life you want, your adviser can help you:
› budget and manage your money
› choose the right investment strategy
› plan for your retirement
› select insurance cover to protect you and your family
› make the most of your super.
Help and advice

We have a mix of advice options to help you every step of the way.

You can access general information at no additional cost. For broader advice, meeting face-to-face or online with an adviser can help when you want a detailed financial plan and have a number of financial matters to think about.

Join Australia’s largest super fund today
Visit australiansuper.com/join or call 1300 300 273
8am–8pm AEST/AEDT weekdays.
Comprehensive*
For broader personal financial advice.

How it works
A financial adviser can speak with you face-to-face about broader financial issues, such as your retirement needs and goals.

And where available, you may have the option to meet with an adviser using a secure video link from the comfort of your own home.

Arrange an appointment at australiansuper.com/find-an-adviser or call us on 1300 300 273.

How much it costs
In most instances, there is no cost for your first consultation. If necessary, a detailed financial plan called a Statement of Advice (SOA), can be provided on a once off fee basis. A fee is negotiated between you and your financial adviser, but you may be able to pay for some advice from your AustralianSuper account.†

Webinars
When it comes to retirement, a little bit of learning can go a long way.

How it works
Our free online webinars are an easy way to learn about managing your super or planning for retirement. You can access our webinars from the comfort of your own home.

Register at australiansuper.com/webinars

How much it costs
No additional cost.

* The financial advice you receive will be provided under the Australian Financial Services Licence held by a third party and therefore is not the responsibility of AustralianSuper. With your approval a fee may be charged if a Statement of Advice is provided. Please refer to the Important information at the end of this document for further details.
† Some conditions apply.
We’re here to help
Have a general enquiry about super and planning for retirement?

Call
1300 300 273
8am–8pm AEST/AEDT weekdays

Visit
australiansuper.com