



Reflections on assisting members to achieve greater retirement outcomes

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Things policy can affect?

- Superannuation policy can be, and sometimes has to be, detailed and prescriptive
- Superannuation tax rules, for example, are fairly clear-cut
- At other times, super policy can be more principles-based, spelling out key concepts or requirements, but allowing super funds to respond to and implement their own response

What is the Retirement Income Covenant?

New obligation from 1 July 2022 for super funds to have a retirement income strategy that outlines how they plan to assist their members in retirement.

The strategy must consider how the trustee will assist their members to balance maximising their retirement income, managing risks and have some flexible access to savings.



Retirement Income Covenant

- We have developed a Retirement Strategy to set ourselves up as a Retirement Leader
- It is squarely aimed at helping members safely and confidently spend their retirement savings
- We see a clear link between the value members place on advice and the implementation of that advice



RETIREMENT LEADER



RETIREMENT STRATEGY

RETIREMENT INCOME STRATEGY

- Review of existing assistance
- Gathering member information, particularly on retirement preferences and choices
- Market review and retirement income modelling

BROADER GOALS

- Best in class transition & experience
- Best in class digital content and calculators
- Best in class Advice offering



Our members convert savings to retirement income

For those members eligible for a lifetime defined benefit pension:

- We see members electing to convert higher amounts of their savings to lifetime income streams
- Members who have not had exposure to the concept of lifetime income, accumulation-type members, continue to start account-based pensions rather than lifetime income streams
- These members are a major subgroup and focus of our retirement strategy
- Focus on developing best-in-class engagement and support via the use of digital tools/calculators, provision of retirement information, drawdown guidance, meaningful illustration of retirement outcomes

The importance of assistance and advice

UniSuper's advice team helps members at all stages of their financial journey by providing advice and assistance on how best to manage and grow their superannuation and wealth. In the past year alone, the team supported more than 74,000 advice interactions with members.

- Super funds are well placed to offer both traditional personal advice as well as phone advice and increasingly digital advice or digital support tools
- One thing to note, currently, we charge for intra fund advice. Not all in the industry do but we find charging an appropriate fee ensures that those who receive the service will put a value on the advice they receive and are more likely to act on it.
- Our members act on our advice with high rates of implementation
- We see a clear link between the value members place on advice and the implementation of that advice.

Thank you