



WIN A MINI See back cover for details.



Achieve

It's time to *feel good* about your super

A better retirement starts now

Meet Retirement Consultant Adam Krull who can help you prepare for your retirement with confidence and peace of mind on page 4

3

Sorting your super has never been easier—
simply go online

6

Salary sacrifice: boost your super, while paying less tax

7

Sustainable super for a sustainable life

Achieve / SUMMER 2018



Achieve

Welcome to the Summer 2018 edition

Another year is almost over and a new one is close at hand. And if you feel like you didn't do much about your super this year, we got you covered. This edition is packed with some *super* ideas for your New Year resolutions list.

If you're planning to retire soon, we know just the place for you to start. A one-on-one Retire Ready meeting with a retirement consultant. It's a great opportunity to ask those questions that may have been at the back of your mind. Why put it off anymore? Find out what's on offer and how to book your own meeting.

Nowhere near retirement, but want to sort out your super anyway? No problem. Getting your super organised is easier than ever, because now you can do it all online. We have a list of quick super wins you can achieve via your online account.

A small sacrifice can go a long way, especially when it's for your own super. See why you may want to add salary sacrificing to your resolutions list as a way to grow your super—it's all about how contributions are taxed.

Finally, a quick reminder... We're giving away a brand new electric blue MINI Cooper 3-Door Hatch to one lucky member who combines their super with us. There are only a few more weeks to go before the competition ends, so combine your super and get in the draw. See the back page for more details.

Happy New Year!

Emma Barrett

Director, Member Services
Russell Investments



3
Sorting super online

4
A better retirement starts now

6
It's no sacrifice

7
Sustainable investing for super

How can we help?

Call **1800 555 667**

Email **iq@russellinvestments.com.au**

Website **russellinvestments.com.au/super**



For the fifth year in a row, Russell Investment Management Limited was chosen as *Money* magazine's 2018 Best of the Best Gold winner in the Multi-Sector Fund category.

For further information about the methodology used by Chant West, see chantwest.com.au

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Sorting super online

Here's a myth we're happy to bust: super takes up too much time and means lots of paperwork. Not anymore, because it's easier than ever to sort out and grow your super—via your online account. Here are seven steps to get you started.

1 A chance to win a MINI

Combining your super could be a smart move, because it cuts out the need to pay multiple sets of super fees.¹ And now there's even more reason to do so. We're giving away a **MINI Cooper 3-Door Hatch** to one lucky member who combines their super with us before 21 December 2018. See the back page for more details.

2 Tick off your list...

We use what we know about you to create and update your personalised online To Do List in real time. Your list will guide you through a handful of simple actions to take today that can make a huge difference to your life after work. Once you've completed an action, we'll just tick it off!

3 ...and close the gap

Use our Retirement Tracker to find out how much super you actually need to live the life you want in retirement. Taking your personal information into account, the Retirement Tracker can help to set your retirement goal, project your balance to retirement and simulate ways to close any savings gap.

4 Review your strategy...

Another way to grow your super is through your investment strategy—one that takes your age, investment needs, appetite for risk and retirement goals into account. You can choose from among 23 investment options in five categories—diversified, sector, outcome-oriented, responsible and third-party.

And don't forget to review your strategy from time to time to match any key life events, such as a career move, marriage, divorce, starting a family or nearing retirement. For more information, visit russellinvestments.com.au/support/how-super-works/investing

5 ...and make a nomination

Who will get your super money after you're gone? Make sure the ones you love have financial security, by nominating who will receive your super benefit—via a beneficiary nomination. Already nominated a beneficiary? Make sure that your nomination is up to date and still reflects your wishes.

6 Keep in touch...

The more options we have to contact you, the better informed you'll be about your super. If we're missing your current mailing address, phone numbers or email address, there's a good chance you're missing out on important communications from us. Update your contact details online to make sure you're staying in touch, informed and in control.

7 ...and go paperless

If we have your email address, we'll use it to get in touch with you—for communications such as important notices about your account, your annual statement, information on optimising your super, market commentary and newsletters. When you update your personal details, be sure to give us your email address.

Registering for the first time?

If you've never gone online to check out your super account, now's the time.

To get set up in a few simple steps, go to russellinvestments.com.au/login, select 'Register for online access' and follow the prompts. The only thing you'll need is your member number. Not sure what it is? Call us on **1800 555 667**.

READY, SET, GO... ONLINE

If you've already registered for online access, but haven't looked at your account in a while, simply visit russellinvestments.com.au/login. You'll need your member number and password handy.

- › Can't remember your password? Re-set it via the '**Forgotten your PIN/password?**' link on the log in page.
- › Can't remember your member number? Call us on **1800 555 667**.

¹ Before you combine your super, you should find out about exit or withdrawal fees your other super fund/s might charge, as well as any entitlements or insurance cover that might stop when you close your other super account/s.

A better retirement starts now

Are you counting down to retirement? Got a lot of questions, but not sure who to ask? Then this could be a good time to look into a Retire Ready meeting. It's our way of helping you prepare for retirement with confidence and peace of mind.

A one-on-one meeting with a retirement expert at no cost to you—it's as good as it sounds. Our Retire Ready meetings are designed to give you the information and expert guidance you need to make informed decisions about the way you want to live in retirement.

But what is it exactly? What do you have to do? And, most importantly, what's in it for you? We sat down with Retirement Consultant Adam Krull to talk all things 'Retire Ready.'

Q: First of all, what is a Retire Ready meeting?

If a member is looking to retire in the next five years or has already retired, then a Retire Ready meeting is a great option.

It's a one-on-one, face-to-face discussion with a member, where a retirement consultant listens to their questions and concerns about retirement, and offers general advice and information to help them prepare for a great life after work. And partners are welcome to join.

Q: What is your role in a Retire Ready meeting?

To educate and support members as they plan their retirement journey, to show that the more information they have, the more confident they can be when it's time to make those *super* decisions.

Super can be complex, we completely understand that. And we're here to help make sense of the rules around super. And we're happy to spend time helping members get a deeper understanding of specific subjects, like Transition to Retirement (TtR) or super-related tax rules.

Q: Does a member have to be 'super savvy' to make the most out of it?

Not at all. We meet members from all walks of life, with different levels of knowledge about super.

It's a one-on-one meeting, so there's plenty of time to cater for everyone's knowledge base and expand on it. And some members can be pleasantly surprised—in fact, I recently had a member remark, "I thought I knew a lot about super, but I have learnt so much more."

Tell us about a time when you helped a member to...

1. Work out if there's enough super for their retirement

Many members want the answer to two questions: "Do I have enough to retire?" or "How long will my super last?" This means talking about investment returns, eligibility for the Age Pension and if there's a partner, how their super should be considered. Understandably, knowing if they have enough super to live a great life after work often leaves members feeling much more confident and comfortable with their financial position.

2. Set retirement goals

I recently met a member whose retirement goal was to grow his super without reducing his take-home pay, because he was focussed on repaying some debt. We discussed how a TtR

strategy could be the most suitable approach.

3. Review their investment strategy

Another member, who was close to retirement, was focussed on de-risking her investment strategy "to help reduce 'losses' if we go through a global financial crisis again." We talked about diversification to help navigate the ups and downs of financial markets by investing her super across different asset classes.

4. Transition to Retirement

I remember a member who was looking to reduce his working hours but not his pay, so he and his partner could ease into retirement while staying in the workforce. We talked about a TtR strategy, and in the end, they felt

confident that changing over to a four-day week was not going to have as big an impact on their overall finances as they first thought.

5. Feel confident about their financial position

A member was worried that her super may not last long, so we discussed accessing super, investment selection and returns, and the possibility of qualifying for the Age Pension which could be used alongside her super. She hadn't thought about being able to use both sources to fund her retirement, together with money still being invested and generating returns.

Want to meet a retirement consultant for your own Retire Ready meeting?

Simply call us on **1800 555 667** or email **retireready@russellinvestments.com**. We'll get in touch with you to arrange a meeting.



Q: What topics are covered at a Retire Ready meeting?

Generally, we engage with members to explore different topics such as:

- › any recent super changes and what these could mean
- › age-based tax and super strategies that could boost savings before retirement
- › contribution strategies, including transition to retirement rules
- › retirement income options, including the Age Pension
- › goals and next steps, and what we can do to help you make the ideal retirement lifestyle a reality.

Q: How do you help members arrive at decisions?

We always encourage members to ask as many questions as they like. This is their time. And often members come with notes about their future plans and questions about what concerns them.

While we can only offer general advice—which means giving information about different super strategies or legislation, and not about telling members what they should do—these notes and questions can steer the discussion in the direction(s) that members are most interested in.

Q: What are the three most important things a member can take away from a Retire Ready meeting?

1. Understanding how tax works in super contributions vs. super benefits
2. Understanding how TtR works, because it's a great way to grow your super while working, or reduce working hours without reducing income
3. Understanding how investment options work, because our investment menu has 23 options from which to choose.

Q: What happens after the meeting?

We like to look at the big picture and see our members through the whole retirement planning journey—it's a key part of our award-winning member service offer.

While a retirement consultant provides a summary of the discussion and answers additional queries, a member solutions consultant will get in touch with the member to check on progress—to action any decisions they want to make or to help access personal financial advice which can provide recommendations on what to do next. Whatever they decide to do, we're here to help.

More than super

Personal financial planning looks at more than just your super. It looks at your full financial picture, including investments outside super, insurance, budgeting and estate planning.

We've partnered with financial advisers who are committed to helping you meet your goals. No surprises, no jargon—just advice you can trust. Plus, your first meeting is complimentary.

It's no sacrifice

Less tax and more super. What's not to like about salary sacrifice?

Salary sacrifice—heard the term before, but not exactly sure what it is?

Here's a refresher. Salary sacrifice is where you can pay for products and services (such as cars, computers, childcare, health insurance and, importantly, super) from your pre-tax salary with the benefit of reducing your taxable income.

With super, it means an arrangement between you and your employer, where they make additional contributions to your super account from your pre-tax salary, on top of any contributions you already receive from your employer. Your benefits?

- › By making extra contributions to your super, you'll be boosting the amount of super savings you'll have for your life after work. More on this below.
- › You'll also be paying less tax, because the sacrificed component of your total salary is not counted as assessable income for tax purposes.

Not all employers offer salary sacrificing, so be sure to check with them first. And if they do, you need to decide how much money you want to direct to your super account.

Key to salary sacrificing is the way these contributions are taxed.

A DIFFERENT TAX ARRANGEMENT

Salary sacrifice contributions made into super are taxed differently (at a concessional rate) compared to a regular salary. This means:

- › If you earn less than \$250,000 a year, you only have to pay a 15% tax on your super contributions via salary sacrifice.
- › If you earn more than \$250,000 a year, the tax on these contributions goes up to 30%.

STAY WITHIN CONTRIBUTION LIMITS

Of course, there is a limit to how much money you can contribute via salary sacrifice and still receive the concessional rate of taxation.

At the moment, the concessional contribution taxation limit is at \$25,000 a year. Any concessional contribution over \$25,000 attracts tax at your marginal tax rate plus an excess concessional contributions charge. Don't forget to keep track of your contributions to make sure you're

not paying more fees and charges than needed. You can do this via the Russell Investments Super Mobile App (available on the App Store).

HERE'S AN EXAMPLE

If you earn \$85,000 a year, your marginal tax rate is 34.5% and your total tax bill is \$20,872 (including Medicare levy).

However, if you salary sacrifice \$5,000 into your super, your salary will come down to \$80,000, thereby reducing your income tax to \$19,147. The \$5,000 salary sacrifice contribution goes straight to your super account, where it is taxed at just 15%, which is \$750.

This means, overall, not only have you gone from paying \$20,872 in tax to \$19,897—a saving of \$975—but you've also boosted your super savings at the same time.

WE'RE HERE TO HELP

Want to know more about how salary sacrifice can help to grow your super in the long run? **Call us on 1800 555 667.**

Introducing two benchmark changes

We made benchmark changes to two of our investment options, effective 1 October 2018.

Investment option	Previous benchmark	New benchmark
Global Opportunities Option	Russell Global Large Cap Index – Net	MSCI ACWI Index – Net
Global Opportunities – \$A Hedged Option	Russell Global Large Cap AUD Hedged Index – Net	MSCI ACWI – 100% Hedged to AUD – Net

With significant changes in the index community and proposed considerable changes by the previous benchmark provider, FTSE Russell, we felt the need to review the benchmarks.

We believe that the MSCI Indexes provide the best representative mix of securities that truly reflect the investable global shares universe. Importantly, the change of benchmarks will have no impact on the investment option's objectives, fees or risks.

Sustainable investing for super

Want to lower your carbon footprint, invest your super sustainably and support a society you want to live in? Welcome to the world of responsible investing.

From choosing LED lights, walking to work and buying things second-hand, there could be plenty of things you're doing to live a more sustainable life. Why not look at your super the same way?

With a responsible investing strategy, you can make sure your super is

invested to not just generate returns, but also positively support future sustainability. It's about paying attention to environmental, social and corporate governance factors to better manage risk and generate sustainable, long-term investment returns.

Our Responsible Global Shares Option invests in¹ a sustainable investment solution that supports the management of climate change risk and the transition to a low carbon economy. Here's how our solution delivers on its responsible investment promise.

<p>DECARBONISATION</p>  <p>1</p>	<p>We reduce the fund's carbon emissions and carbon reserve exposure by 50% relative to the MSCI ACWI ex Australia benchmark.</p>	<p>To help achieve this, our proprietary decarbonisation strategy systematically reduces exposure to companies that have a high carbon footprint and/or high carbon reserves and excludes high intensity coal generation and mining companies.</p>
<p>EXCLUDING THE WORST</p> <p>We automatically exclude companies with involvement in controversial activities involving tobacco, uranium, nuclear and cluster weapons.</p>		<p>You can be confident that the fund is committed to negatively screening disreputable industries.</p> <p>2</p>
<p>POSITIVE TILTING</p>  <p>3</p>	<p>We positively tilt the fund towards companies with significant investment in green power generation.</p>	<p>To help achieve this, we have embedded a Green energy ratio within our proprietary decarbonisation strategy.</p>
<p>SELECTING THE BEST</p> <p>We positively tilt the fund towards companies with higher environmental, social governance scores.</p>		<p>You can be confident that the fund invests in sustainable companies with a responsible approach to governance.</p> <p>4</p>
<p>ONGOING RESEARCH</p>  <p>5</p>	<p>We are 100% committed to ongoing research in sustainable investment to continue to assess and refine our decarbonisation strategy.</p>	<p>You can be confident that the fund will continue to evolve to reflect the changing market environment.</p>

Interested? If you want to invest some of your super in the Responsible Global Shares Option, log in to your online account at russellinvestments.com.au/login, use the mobile app (I want to: change my investment strategy), or simply call us on **1800 555 667**.

And if you'd like free, over-the-phone investment strategy advice that takes your personal circumstances into account,² we're happy to talk to you.

¹ The Responsible Global Shares Option invests in the Russell Investments Low Carbon Global Shares Fund.

² The Over the Phone Advice Service is provided by Link Advice Pty Limited, ABN 36 105 811 836, AFSL No. 258145.

HURRY! ENDS
21 DECEMBER!

 Russell
Investments

Combine your super. Win a MINI Cooper.



You don't want multiple super accounts. But you do want to win a MINI Cooper. We can help with both.

Head to russellinvestments.com.au/winamini
or call us on **1800 555 667** to find out how to enter.

Before you combine your super, you should find out about exit or withdrawal fees your other fund might charge, as well as any entitlements or insurance cover that might stop when you close your other account.

Competition terms and conditions at russellinvestments.com.au/winamini. MINI is not a participant or sponsor of this promotion. The promotion starts at 00:00 hrs on 1 March 2018 and closes 24:00 hrs on 21 December 2018 (promotional period). A minimum consolidation amount applies. Before you combine your super with us, you should find out about exit or withdrawal fees your other fund might charge, as well as any entitlements or insurance cover that might stop when you close your other account. This prize is paid for by Russell Investments Employee Benefits Pty Limited and is not funded by superannuation money. Authorised under trade promotion permits: NSW LTPS/18/22100, ACT TP18/00277, SA T18/227. Issued by Total Risk Management Pty Ltd ABN 62 008 644 53, AFSL 238790 (TRM) as the trustee of the Russell Investments Master Trust ABN 89 384 753 567 (Master Trust).