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BT Super and  
BT Super for Life  
Annual Report

for the year ended 30 June 2022



BT Funds Management Limited ABN 63 002 916 458, AFSL No. 233724, RSE No. L0001090 ('Trustee', 'we', 'our' or 'us') is the Trustee of BT Super and BT Super for Life which are part of Retirement Wrap ABN 39 827 542 991, RSE No. R1001327. An investment in BT Super and BT Super for Life is not an investment in, deposit with or any other liability of Westpac Banking Corporation ABN 33 007 457 141 (the Bank) or any other company in the Westpac Group. It is subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested. The Bank and its related entities do not stand behind or otherwise guarantee the capital value or investment performance of any investment option offered through BT Super and BT Super for Life.

The investment manager for the BT investment options is Pandal Institutional Limited ABN 17 126 390 627, AFSL 316455 and for BT Lifestage investment option, the investment manager is Advance Asset Management Limited ABN 98 002 538 329, AFSL 240902. The Trustee may use other investment managers from time to time which are detailed within relevant disclosure material.

This information has been prepared without taking account of your objectives, financial situation or needs. Because of this you should, before acting on this information, consider its appropriateness, having regard to your objectives, financial situation and needs. Past performance is not a reliable indicator of future performance. A Product Disclosure Statement (PDS) is available at [bt.com.au](http://bt.com.au), or by calling 132 135. You should obtain and consider the PDS before deciding whether to acquire, continue to hold or dispose of interests in BT Super and BT Super for Life.

# Contents

Message from the Chair	4
FY22 Snapshot	6
The Board and Governance	8
Investment markets update from the Chief Investment Officer	11
Super performance update	13
BT Super to merge into the Mercer Super Trust	19
Help and support for members	21
Recent developments in superannuation	24
Proposed changes to superannuation	26
Product changes	26
Understanding your investment in BT Super and BT Super for Life	27
Performance information	31
Investments exceeding 5%	32
Other important information	38
Financial information	41

# Message from the Chair

On behalf of the Board, I am pleased to provide you with your Annual Report for the financial year ended 30 June 2022.



Gai McGrath  
Chair

This past year we've seen an unprecedented number of global events impacting investment markets, creating sharp periods of higher than usual volatility. Higher than average inflation rates, central banks raising interest rates, global supply chain bottlenecks, and a war in Ukraine— all had a negative impact on share, property and bond markets.

However, we are cautiously optimistic that we'll see markets return to more stable levels as we move through the new financial year. Remember, superannuation is a long-term investment strategy – so it's important to avoid the panic and stay invested for the long term, making the most of rebounding markets when they happen.

## FY22 super performance

For BT Super and BT Super for Life MySuper members, it is very disappointing to report that one-year returns were much lower and in most cases negative, in contrast to the high returns delivered to members in FY21.

Across the year, the performance of many asset classes was challenged. Share markets fell across the globe. Global shares performed particularly poorly. The one-year returns for MySuper Lifestage options with significant exposure to share markets were negatively impacted by this environment. The MySuper Lifestage options for those born in the 1970s to 2000s have around 90%^ of their super invested in growth assets (like shares and property). Given the market environment, these options experienced sharper falls in performance. This is in stark contrast to the double-digit returns delivered to members last year when share markets grew.

Returns also fell for members in the 1940s, 1950s and 1960s MySuper Lifestage options, who typically have around 36% to 66%^ invested in growth assets. The diversification that these options have from investments in bond markets did not shield them from poor outcomes due to the impacts on bond prices of interest rate rises and inflationary pressures.

Although one-year performance fell, I'm pleased to report that members saw positive performance over the 2, 3, 5, 7 and 10-year periods.

While many members are invested in Lifestage options, some have chosen to personalise their super investments, and they would have seen a range of returns, depending on their choice of investments.

You can find more detail on how the Lifestage options have performed later in this report. Our website contains detailed performance information on all the investment options available to you on our menu.

## Annual Performance Assessment

All MySuper products are now subject to an Annual Performance Assessment (APA), which is administered by the Australian Prudential Regulation Authority. For Lifestage products like those offered by BT, the APA combines the asset-weighted performance of all of our seven Lifestage investment options over an eight-year period to calculate a single performance return – which is then assessed against the government benchmark.

Unfortunately, despite a number of changes we made over the past year, BT's MySuper Lifestage investment options failed the APA for a second consecutive year in 2022. As a result, BT Super and BT Super for Life closed to new applicants during August 2022. The products do however remain open for existing members.

We understand that members invested in our MySuper Lifestage options will be disappointed with this result. Please be assured that we share your disappointment and

^ Asset allocation as at 30 June 2022. Between 17 October 2022 and 28 February 2023, the Trustee is gradually adjusting the way members' super is invested in the 1940s, 1950s, and 1960s BT Lifestage investment options. Please refer to page 15 or visit [bt.com.au/supermerger](https://bt.com.au/supermerger) for further detail and frequently asked questions.

## Message from the Chair

have been working on your behalf to improve member outcomes. The fee reduction delivered to all members in February 2022 and the planned merger of BT Super into the Mercer Super Trust are key to this.

### Merger into Mercer Super

In late 2021 the Board commenced a process to identify a merger partner who shared our passion for helping members achieve the best possible retirement. Following a robust and competitive review across the super industry, in May 2022 we announced our intention to merge BT Super into the Mercer Super Trust.

The merger is on track to take place in early April 2023. The Trustee Board believes that being part of a larger fund will give our members the potential to benefit from improved performance, lower fees and a broader range of member services, including limited personal advice.

We've included more information about Mercer Super Trust and our merger plans later in this report, and you can also find out more on our website at [bt.com.au/supermerger](https://bt.com.au/supermerger)

### Help and support for members

In FY22, our phone-based teams answered more than 340,000 calls from members, responding to their questions and providing helpful information about their super. Complementing our phone and digital 'click to chat' teams was Blue, our virtual assistant, which handled over 350,000 member queries across the year, providing 24/7 support with answers to simple questions, and step-by-step guidance on common tasks.

Our Priority Care team provided additional care and support for more than 2,200 members who were experiencing financial hardship, serious illness, financial abuse, family or domestic violence, or cognitive impairment.

We've also improved the online experience for members, with an enhanced user interface, better functionality, and improved accessibility via the BT app – allowing the majority of our members to easily manage their super when it suits them, all on their preferred device.

And we've continued our focus on helping members get the best out of their super through our regular emails, educational webinars and social media updates on a range of superannuation topics. Importantly, we've also used our webinars and social media polls as a way of listening to members to find out how they're feeling and what they're interested in learning about super and retirement. These insights are then used to plan our future communications.

### Insurance support for members

Insurance is an important part of your super and has provided many members and their families with financial support after illness, injury or worse. During the 2022

### FY22 Annual Members Meeting

Every year, we hold an Annual Members Meeting to share information about your super and its performance, and give you the opportunity to ask questions of the Board and senior executive team who are responsible for managing the fund.

Questions can be pre-submitted when you register to attend the meeting, or asked at the meeting itself.

The meeting for the financial year ended 30 June 2022 will be held on 28 February 2023 – and can be attended online from anywhere in Australia or overseas.

You can register to attend the meeting [here](#).

Please note, a formal invitation to the Annual Members' Meeting was sent to you in late November/early December 2022.

financial year, BT, together with our insurer AIA, paid insurance claims worth more than \$133 million to 893 BT super members, helping them and their families with financial assistance when they needed it most.<sup>#</sup>

I'm pleased to note that your insurance will continue with AIA, following the merger into Mercer Super Trust, without any change to the amount of insurance cover you hold, premium rates, or the terms and conditions.

### Changes to our Board members

I'd like to take this opportunity to introduce Anne Clarke, who was appointed to the Board in April 2022 and also serves on the Board Investment Committee and the Board Risk and Compliance Committee. Anne is a welcome addition to the Board with over 25 years' experience in financial services including as a lawyer, and more recently as Chief General Counsel and Chief Risk Officer at TAL.

Finally, on behalf of the Board and the whole team at BT Super I'd like to thank all of our members for trusting us with your superannuation savings and assure you of our continued commitment as we work towards a successful merger into Mercer Super Trust.

Our warmest regards,



**Gai McGrath**

Chair,  
BT Super

<sup>#</sup> Death, Total and Permanent Disablement and Salary Continuance Insurance claims paid by our insurer to BT Super and BT Super for Life members during the 2022 financial year. Source: Annual Insurance Strategy Review. Figures quoted are not limited to members with Standard cover.

## FY22 Snapshot

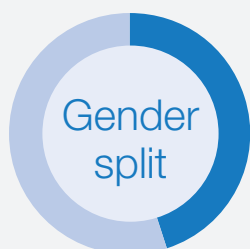
Over the past year, we've continued to help our members, and their families prepare for their best financial future.

Our members  
**528,898**

**57%**



Men



**43%**



Women



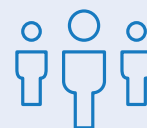
**42**

Average member age



**\$50,812**

average account balance



**80,397**

new members were  
welcomed to the plan

We looked after

**\$26.7** billion

of your super and received

**\$2.9** billion

in super contributions

We provided an employer  
super plan for over

**13,000**

Australian workplaces

Our workplace relationship managers met one-on-one with over

**1,250** members across Australia this year

**\$133**  million

paid in insurance claims to

**893** members

helping them and their families  
with financial assistance when  
they needed it most



provided 24/7 support via  
our virtual assistant  
Blue for over

**350,000**  
member queries

Visits to [bt.com.au](https://bt.com.au)

**7,865,729**

**14%** increase

in BT Super members signing  
into the BT Panorama mobile  
app to keep track of their super

**\$22.5** million

was released to support  
members through  
financial hardship



**343,946**

calls were answered through  
our dedicated contact centre

Our Priority Care team has helped over

**2,200\*** members impacted by serious illness, financial abuse, family  
or domestic violence, cognitive impairment and ageing

\*Over 2,200 members under Retirement Wrap were helped by Priority Care in FY22.



# The Board and Governance

The Directors as at the date of this report are set out below:



## Chair

### Gai McGrath

#### **Chair and Independent, Non-executive Director (1 July 2021 to present)**

Gai McGrath was appointed as Chair and a Non-executive Director of the Superannuation Boards on 1 July 2021.

Gai has over 35 years' experience in the financial services and legal industries. Including 12 years with Westpac Group as General Manager of Westpac's retail banking businesses in Australia and New Zealand, and in BT Financial Group as General Manager, Customer Service, Head of Customer Service Delivery and General Manager, Risk Solutions. Prior to joining the Westpac Group Gai spent seven years at Perpetual Limited including as General Counsel and Company Secretary.

Gai is Chair of Humanitix Limited and a Non-executive Director of Helia Group Limited, Steadfast Group Limited, HBF Health Limited and Toyota Finance Australia Limited.

Gai holds a BA, LLB (Hons), LLM (Distinction) and is a Graduate of the Australian Institute of Company Directors.



## Non-executive Director

### Doug Carmichael

#### **Independent, Non-executive Director (1 July 2020 to present)**

Doug was appointed as a Director of the Superannuation Boards in July 2020. Doug serves as Chair on the Board Risk and Compliance Committee and is on the Board Audit Committee. Doug has more than 35 years' financial services experience most recently as the Commonwealth Bank Group Super Chief Executive where he led the trustee services team assisting the Group Super Board in the development and execution of strategies to achieve member satisfaction, fund growth and member retention.

He was previously General Manager of strategic operations and risk management for Australian Administration Services.

Doug is a Founding Director and former President of the Canadian Australian Chamber of Commerce and was previously a Director of the Fund Executives Association Limited.

Doug was educated at Mount Allison University, Canada, and holds a Bachelor of Commerce.





#### Non-executive Director

##### **Robin Burns**

##### **Independent, Non-executive Director (1 July 2019 to present)**

Robin was appointed as a Director of the Superannuation Boards on 1 July 2019 and serves on the Board Investment Committee and Board Audit Committee. Effective 10 July 2019, Robin was appointed as the Chairman of the Board Investment Committee.

Robin held senior executive roles in financial services for over 25 years in a range of enterprises. He was Managing Director of Equity Trustees Ltd from 2010 to 2016 and since then has held a number of Non-executive Director positions. Before Equity Trustees he was CEO of Equisuper and held previous positions as a CEO and CFO in financial services.

Robin is a past member of the Chartered Accounting Institutes in England & Wales and Australia and was a personal member of the Australian Stock Exchange. He is a Fellow of the Australian Institute of Company Directors. He served on the board of the Financial Services Council until 2016, chairing a number of Board Committees.

He is a Non-executive Director of Defence Health Ltd, Uniting Ethical Investors Limited and an independent member of the PIMCO Australia Compliance Committee.



#### Non-executive Director

##### **Michael Cottier**

##### **Independent, Non-executive Director (16 November 2015 to present)**

Michael Cottier was appointed as a Director of the Superannuation Boards in November 2015 and serves as Chairman of the Board Audit Committee. Michael also serves on the Board Risk and Compliance Committee.

Michael is an experienced financial services professional with expertise in finance and taxation. Michael has held senior executive roles as CFO, QSuper Limited and CFO, QIC Limited, and senior finance and tax roles at Suncorp Group Limited.

Michael is a Fellow of the Australian Institute of Company Directors, a Fellow of Chartered Accountants ANZ, and holds a Masters in Taxation from The University of Queensland.

Michael is currently on the Boards of Queensland Teachers Union Health Limited (Chair of Risk Committee), and WAM Alternative Assets Limited (Board Chair), and previously served as a member of the ASFA Governance & Regulatory Council.



## Non-executive Director

### Anne Anderson

#### Independent, Non-executive Director (19 October 2021 to present)

Anne was appointed as a Director of the Superannuation Boards in October 2021. Anne serves on the Board Investment Committee and the Board Risk and Compliance Committee. Anne has over 35 years' experience in financial services with a varied career in treasury and investment management. She has operated across Australian and international markets working with superannuation, wealth, sovereign and insurance retail, wholesale and institutional clients.

Anne has served in several Managing Director roles with UBS Asset Management, most recently as Head of Fixed Income and Investment Solutions for Australia. Anne managed the UBS Asset Management Asia Pacific business for 8 years, chaired various global investment committees and was a member of the executive leadership team. She was also an Adviser to the Commonwealth Treasury Advisory Board for the Australian Office of Financial Management.

Anne is currently an Advisor to the REST Board Investment Committee, a Director of Eight Gate Capital Management, an Independent Member of the E&P Financial Group Wealth Investment Committee and Member of the ASIC Consultative Panel.

Anne has a Bachelor of Economics, a Master of Applied Finance from Macquarie University and is a graduate of the Australian Institute of Company Directors.



## Non-executive Director

### Anne Clarke

#### Independent, Non-executive Director (26 April 2022 to present)

Anne was appointed as a Director of the Superannuation Boards in April 2022 and serves on the Board Investment Committee and the Board Risk and Compliance Committee.

Anne has over 25 years' experience in financial services, including as a lawyer in the financial services practice at Mallesons Stephen Jacques (now King Wood Mallesons) and Executive Counsel at Herbert Smith Freehills, advising trustees, life insurers, and corporations on a wide range of matters. These matters included successor fund transfers, Part 9 transactions, litigation, mergers and acquisitions, trust law matters and general regulatory issues. During her time in private practice, Anne was named as a leading superannuation practitioner in Best Lawyers for several years.

In 2014 she moved out of private practice and has held various executive roles since most recently being Chief General Counsel and Chief Risk Officer at TAL. In addition to these traditional legal and risk roles, Anne has been responsible for Internal Dispute Resolution, External Dispute Resolution, Regulatory Affairs, Company Secretary, the Office of the Trustee and served on several TAL subsidiary boards.

Anne has a Bachelor of Law from Monash University and is a graduate of the Australian Institute of Company Directors.

## Director changes

The name of the persons who have been Directors, or appointed as Directors during the period since 1 October 2021 and up to the date of this report are:

- Gai McGrath
- Doug Carmichael
- Robin Burns
- Michael Cottier
- Anne Anderson (appointed 19 October 2021)
- Anne Clarke (appointed 26 April 2022)
- Kathy Vincent (appointed 1 August 2018 to 4 October 2021)
- Melinda Howes (appointed 12 March 2015 to 4 October 2021)

# Investment markets update from the Chief Investment Officer



**Corrin Collocott**  
Chief Investment  
Officer

## Why does 2022 performance returns look so different to 2021?

**After strong super fund returns for the 2021 financial year, there may have been an expectation that the 2022 financial year returns would be similar. However, an unprecedented number of adverse global events meant history did not repeat itself.**

The 2022 financial year was a challenging period for investors. Both equity and fixed interest assets returned a negative absolute return for the period following a

broad sell off across asset classes over the second quarter of 2022. This has led to negative returns across the majority of major asset classes. The ongoing recovery across most developed economies from prior COVID-19 lockdowns, has resulted in higher levels of inflation and a sharp increase in interest rates globally.

These dynamics have been exacerbated by the war in Ukraine forcing Central Bankers to act in a hope of avoiding a rise in longer-term inflation expectations amongst households and businesses. This combination of raised interest rates and persistent inflation coupled with slowing demand has increased the risks of a sharp slow-down in economic activity over the next 24 months with signs of slowing growth across multiple regions.

This environment represents a challenging period for listed assets, with the potential for continued higher levels of volatility across financial markets over the short term. The negative returns experienced across markets combined with sharply higher levels of inflation has led to lower returns for the majority of members for the period.



## How did markets react?

Share markets fell across the globe. Developed international share markets returned -6.52% for the year ending 30 June 2022 with emerging market shares the hardest hit, returning -18.43%, while the Australian market returned -6.78% over the same period. Both global and Australian listed property were also hit hard, returning -10.49% and -11.22% respectively for the year ending 30 June 2022.

Economic impacts from interest rate rises and increasing inflationary pressures impacted the normally 'defensive' bond markets. With interest rates moving upwards from historical low levels, we saw for the first time in over 30 years, negative returns on bonds for FY22.



## Performance returns by asset class as at 30 June 2022

Asset Class	1 year	3 years (p.a.)	5 years (p.a.)	7 years (p.a.)	10 years (p.a.)
<b>Growth assets</b>					
Australian shares	-6.78%	3.44%	6.90%	6.98%	9.24%
International shares	-6.52%	7.83%	10.12%	9.32%	14.11%
Emerging market shares	-18.43%	1.25%	4.44%	4.43%	7.26%
Australian listed property	-11.22%	-1.95%	4.96%	5.94%	9.50%
Global listed property	-10.49%	-1.36%	1.93%	3.39%	6.57%
<b>Defensive assets</b>					
Australian bonds	-10.51%	-2.58%	0.87%	1.64%	2.58%
International bonds	-9.33%	-1.63%	0.78%	1.92%	3.12%
Cash	0.10%	0.33%	0.95%	1.26%	1.73%

Source: Factset and BTIS. Australian shares – S&P/ASX 300 Accumulation Index, International shares – (unhedged) MSCI World ex Australia Net Return in AUD, Emerging market shares – MSCI Emerging Markets EM Net Total Return Index (AUD), Australian property – S&P/ASX 300 A-REIT Accumulation Index, Global property – FTSE EPRA/NAREIT Developed Hedged in AUD Net TRI, Australian fixed interest – Bloomberg AusBond Composite 0+ Yr Index, International fixed interest – Bloomberg Barclays Global-Aggregate Total Return Index Value Hedged AUD, Cash – Bloomberg AusBond Bank Bill Index. As at 30 June 2022. Past performance is not a reliable indication of future performance.



## The outlook for super funds

### Super is a long-term investment, and recent events demonstrate exactly why.

Growing your Super is about investing over long periods of time. Most investment strategies are expected to deliver returns on average over relatively long time horizons, interspersed by periods of negative returns over relatively short time frames as markets react to various changes in the economic landscape.

In fact, since the introduction of compulsory superannuation in 1992, the median growth fund has returned 8% per annum. Even looking at the past 20 years, which now includes three major share market downturns – the ‘tech wreck’ in 2002-2003, the GFC in 2007-2009 and COVID-19 in 2020 – the median growth fund has returned 7% per annum\*.

Despite COVID-19 hitting markets in 2020 and the recent market correction, \$1,000 invested 10 years ago in BT’s 1970s Lifestage investment option would be worth \$2,139 at the end of June 2022 – that’s a return of 7.90% per annum for the last 10 years.

Corrin Collocott, BT’s Chief Investment Officer, explains, “Over the past financial year, we’ve seen a perfect storm brewing of high inflation, rising interest rates, geo-political tensions, global supply chain issues and locally, the devastation caused by floods and trade frictions with China.”

As we move into and through 2023, we expect that most Central Banks are at, or above, their neutral rates of interest which should help to reduce the degree of negative returns attributable to interest rate moves over the next 12 months. However, the balance of macro risks driving investor sentiment (Inflation outlook, geopolitical instability, and recession risk) is tilting towards further volatility across financial markets ahead of a pause in interest rate hikes.

Focussing on the long term, exposure to growth assets, such as shares and property will continue to provide an opportunity to build long-term wealth. Maintaining portfolio diversification when investing your super can leave you less exposed to a single economic or market event.

\* Chant West media release 20 June 2022.

# Super performance update

An unprecedented number of global events has seen investment markets experience periods of high volatility during the year ended 30 June 2022. And in what has been a very different financial year compared to last year, returns for BT Super and BT Super for Life MySuper members are much lower this year.



## Our MySuper Lifestage options

Many of BT's super members are invested in the default MySuper Lifestage investment options. These options are designed to automatically adjust the level of investment risk as you move through different stages of your working life and into retirement – to help target higher returns when you're younger and reduce your risk of capital loss as you get closer to retirement.

It is important to note that our MySuper Lifestage investment options for BT Super and BT Super for Life have failed the annual performance assessment administered by the Australian Prudential Regulation Authority (APRA) for the second consecutive year.

### Members born in the 1970s, 1980s, 1990s and 2000s

Those born in the 1970s to 2000s have around 90%^ of their super invested in growth assets (such as shares and property), and as a result, these members' super fund returns fell for the 2022 financial year, mainly due to high volatility causing declines in markets. This is in stark contrast to last year's double-digit returns.

While the one-year performance has fallen and these funds to 30 June 2022 have not met their PDS investment objectives\*, these members have seen positive performance over the 2, 3, 5, 7 and 10-year periods.

### Members born in the 1940s, 1950s and 1960s

Lifestage investment options for members in these age groups are designed to reduce investment risk as they approach retirement. These options gradually reduce members' exposures to growth assets, such as shares and property, as their retirement nears. For example, the 1940s and 1950s funds have between 36%^ and 44%^ invested in growth assets, while the 1960s fund has around 62%^ invested in growth assets.

Typically, investment options with a higher proportion invested in defensive assets (such as cash, bonds) would help cushion share market falls, however market volatility and economic headwinds last financial year impacted all asset classes. Even the traditionally more 'defensive' bond markets have seen the impact of interest rates moving upwards from historical low levels for the first time in over 30 years, which has resulted in this asset class reporting negative returns over the last 12 months.

This is because when interest rates rise, bond prices fall. To understand this more, consider two bond purchases, one bought in the current, higher interest rate environment and the other, a year ago, when interest rates were lower. The bond that was bought at the low interest rate environment would now be less attractive because an investor can purchase a bond with higher rates today.

As a result, the one-year returns to 30 June 2022 have fallen for our 1940s, 1950s and 1960s MySuper Lifestage members. This is very different to what members received over the 2021 financial year, with members in the 1940s, 1950s and 1960s investment options receiving positive returns of 8.36%, 10.29% and 16.94% respectively. These funds to 30 June 2022, have also not met their PDS investment objectives.

Over the longer term (2, 3, 5, 7 and 10-year periods), these members have, however, continued to see positive performance.

^ Asset allocation as at 30 June 2022.

\* Measured over a 10 year period net of fees and taxes.

## Super performance update

### Returns for BT MySuper Lifestage funds 30 June 2022

Fund name	1 year %	3 year %	5 year %	7 year %	10 year %
BT MySuper 1940s Lifestage	-7.02	0.24	1.88	2.22	3.22
BT MySuper 1950s Lifestage	-7.20	0.69	2.38	2.63	4.47
BT MySuper 1960s Lifestage	-7.70	2.02	3.92	4.04	6.25
BT MySuper 1970s Lifestage	-8.77	3.56	5.64	5.57	7.90
BT MySuper 1980s Lifestage	-8.79	3.62	5.69	5.61	8.10
BT MySuper 1990s Lifestage	-8.69	3.71	5.80	5.70	8.23
BT MySuper 2000s Lifestage	-8.34	3.84	5.92	5.94	NA*

\* Fund has been open for less than 10 years.

Note: Performance figures are calculated to 30 June in accordance with the APRA reporting standards. Total returns are calculated using withdrawal prices appropriate for the month end and take into account management costs, monthly dollar based and percentage based administration fee and take into account earnings tax up to a maximum of 15%. Past performance is not a reliable indicator of future performance and future performance is not guaranteed.

### Changes to BT superannuation investments for members in the 1940s, 1950s, and 1960s BT Lifestage investment options

Between 17 October 2022 and 28 February 2023, the Trustee is gradually adjusting the way members' super is invested in the 1940s, 1950s, and 1960s BT Lifestage investment options, ahead of the move to Mercer Super. This is so the proportion of investments allocated to growth and defensive assets becomes more closely aligned to the Mercer SmartPath® investment options that members are likely to transfer to.

Implementing these changes gradually will help mitigate the potential impact of volatility in investment markets around the date of transfer to Mercer Super. The Trustee believes that this approach is in the best financial interests of members.

Impacted members were informed of the changes via email or a direct mail in October. The changes are also published on [bt.com.au/supermerger](https://bt.com.au/supermerger).

- **Changes to the Strategic Asset Allocation and asset allocation ranges.** The Strategic Asset Allocation is the amount allocated to the various growth and defensive assets in members' super. Between 17 October 2022 and 28 February 2023, the exposure to growth assets will incrementally increase and the exposure to defensive assets will incrementally decrease. The current and proposed Strategic Asset Allocations, and their permitted ranges (the minimum and maximum allocation allowed for each underlying asset class) will be adjusted from 1 December 2022.

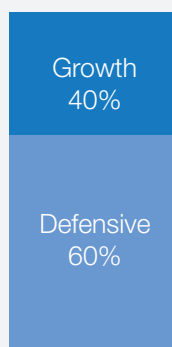
- **Changes to the investment objectives.** The investment objective is the performance return your investment option aims to provide, and will change from 1 December 2022.
- **Updates to the Standard Risk Measure.** The Standard Risk Measure (SRM) is a risk band that allows members to compare investment options that are expected to deliver a similar number of negative returns over any 20-year period. From 1 December 2022, the SRM for the 1940s BT Lifestage investment option will change, and the SRM for the 1950s and 1960s BT Lifestage investment options will remain the same. You can read more about Standard Risk Measures at [bt.com.au/srm](https://bt.com.au/srm).

## Lifestage FY22 performance snapshot

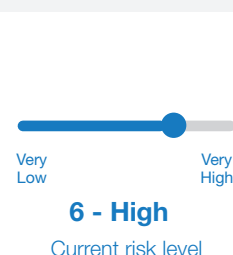
### 1940s Lifestage<sup>^</sup>

- Specifically designed for people born in the 1940s, who are nearing retirement or already in retirement.
- This strategy invests a higher proportion in defensive investments (like cash and bonds) to cushion your super savings from negative market movements over the medium term\* to help your super keep pace with inflation and generate income once you start to draw down on your super in the retirement phase.

#### Indicative range



#### Standard risk measure



#### Performance

**-7.02%**

Over the  
12 months to  
30 June 2022

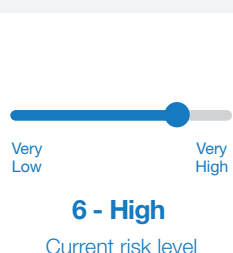
### 1950s Lifestage<sup>^</sup>

- Specifically designed for people born in the 1950s, who are nearing retirement or already in retirement.
- This strategy invests a higher proportion in defensive investments (like cash and bonds) to cushion your super savings from negative market movements over the medium term\* to help your super keep pace with inflation and generate income once you start to draw down on your super in the retirement phase.

#### Indicative range



#### Standard risk measure



#### Performance

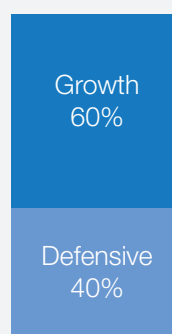
**-7.20%**

Over the  
12 months to  
30 June 2022

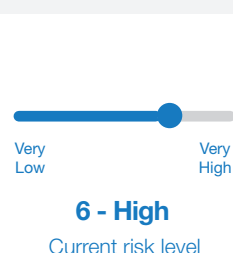
### 1960s Lifestage<sup>^</sup>

- Specifically designed for people born in the 1960s – typically still working and continuing to grow their super, but with an eye on preserving their balance as they near retirement.
- This strategy focuses on growth investments (like shares and property), with an increased allocation to defensive investments, such as bonds and cash, to reduce risk and cushion your super savings from market volatility over the medium term\*.

#### Indicative range



#### Standard risk measure



#### Performance

**-7.70%**

Over the  
12 months to  
30 June 2022

<sup>^</sup> Between 17 October 2022 and 28 February 2023, the Trustee is gradually adjusting the way members' super is invested in the 1940s, 1950s, and 1960s BT Lifestage investment options. Please refer to page 15 above or visit [bt.com.au/supermerger](https://bt.com.au/supermerger) for further detail and frequently asked questions.

\* Medium term is generally considered to be 4 to 5 years.



## 1970s Lifestage

- Specifically designed for people born in the 1970s – typically in the mid-point of their working years and looking to grow their super, as retirement is still a way off.
- This strategy focuses on higher proportion of growth investments (like shares and property) and targets a higher investment return by taking advantage of long-term market growth.

### Indicative range

Growth  
87.5%

Defensive  
12.5%

### Standard risk measure



**6 - High**  
Current risk level

### Performance

**-8.77%**

Over the  
12 months to  
30 June 2022

## 1980s, 1990s, 2000s Lifestages

- Specifically designed for people born in the 1980s, 1990s and 2000s who are typically in the early stages of their working years and looking to grow their super, as retirement is still a long way off.
- This strategy focuses on higher proportion of growth investments (like shares and property) and targets a higher investment return through taking advantage of long-term market growth.

### Indicative range

Growth  
87.5%

Defensive  
12.5%

### Standard risk measure



**6 - High**  
Current risk level

### Performance

1980s  
**-8.79%**

1990s  
**-8.69%**

2000s  
**-8.34%**

Over the 12 months  
to 30 June 2022



To find out more about your investment options, how they're invested, their risk level, their short and long-term returns, as well as to compare funds, go to [bt.com.au/superinvestments](https://bt.com.au/superinvestments)

## Super performance update

### Members who've personalised their super investments

Some members have chosen to personalise their super by selecting their own mix from the broader investment menu.

These members would see a range of returns for the 12 months to 30 June 2022, depending on how they're invested. Over this period, most asset classes had negative returns, meaning most investment options had lower returns compared to previous years.

As always, over the longer term, investment options with higher allocations to growth assets are likely to have higher returns than those with higher allocations to defensive assets.

You can find all the detail about how our investment options have performed over the short and long term to 30 June 2022 below, on [bt.com.au/prices-and-performance](https://bt.com.au/prices-and-performance) or by signing in to your super account by visiting [bt.com.au/btsuperportal](https://bt.com.au/btsuperportal).

### Returns for BT Choice funds 30 June 2022

Fund name	1 year %	3 year %	5 year %	7 year %	10 year %
Active Defensive	-7.08	0.04	N/A	N/A	N/A
Active Moderate	-6.98	2.21	N/A	N/A	N/A
Active Balanced	-7.83	2.24	N/A	N/A	N/A
Active Growth	-8.37	3.10	N/A	N/A	N/A
Active High Growth	-8.95	3.67	N/A	N/A	N/A
Index Defensive	-6.57	0.37	N/A	N/A	N/A
Index Moderate	-6.96	1.40	N/A	N/A	N/A
Index Balanced	-7.05	2.19	N/A	N/A	N/A
Index Growth	-6.52	3.09	N/A	N/A	N/A
Index High Growth	-6.53	5.26	N/A	N/A	N/A
Active Australian Shares	-5.43	3.33	N/A	N/A	N/A
Active International Shares	-8.92	5.88	N/A	N/A	N/A
Active Global Property	-12.61	1.76	N/A	N/A	N/A
Active Global Fixed Interest	-11.55	-2.86	N/A	N/A	N/A
Index Australian Shares	-5.66	3.38	N/A	N/A	N/A
Index International Shares	-5.82	6.57	N/A	N/A	N/A
Index Property Securities	-10.69	-1.80	N/A	N/A	N/A
Index Australian Fixed Interest	-10.97	-3.23	N/A	N/A	N/A
Index International Fixed Interest	-10.47	-2.31	N/A	N/A	N/A
Antipodes Global	-3.26	3.94	N/A	N/A	N/A
Pendal Technology	-21.46	6.91	N/A	N/A	N/A

## Super performance update

Fund name	1 year %	3 year %	5 year %	7 year %	10 year %
Pendal Core Australian Shares	-5.77	4.60	N/A	N/A	N/A
Pendal Growth Shares	-9.33	4.21	5.71	5.89	10.12
Fidelity Australian Shares	-5.33	5.00	N/A	N/A	N/A
Magellan Global Shares	-10.52	1.77	N/A	N/A	N/A
Tyndall AM Value Australian Shares	1.87	4.95	N/A	N/A	N/A
T. Rowe Price Global Shares	-22.77	5.54	N/A	N/A	N/A
Dexus AREIT	-10.67	-2.03	N/A	N/A	N/A
Pendal Australian Property Securities	-13.53	-1.54	N/A	N/A	N/A
Pendal Global Property Securities	-13.73	-3.16	N/A	N/A	N/A
ClearBridge RARE Value Infrastructure (Unhedged)	10.94	6.19	N/A	N/A	N/A
Pendal Australian Bonds	-11.27	-3.29	N/A	N/A	N/A
PIMCO International Bonds	-10.31	-1.92	N/A	N/A	N/A
UBS Australian Bonds	-11.90	-3.51	N/A	N/A	N/A
Pendal Sustainable Conservative	-5.14	0.66	1.83	2.07	3.16
Pendal Sustainable Balanced	-4.66	3.83	4.78	4.74	7.09
Cash	0.14	0.31	0.65	0.87	1.34

Note: Performance figures are calculated to 30 June in accordance with the APRA reporting standards. Total returns are calculated using withdrawal prices appropriate for the month end and take into account management costs, monthly dollar based and percentage based administration fee and take into account earnings tax up to a maximum of 15%. Past performance is not a reliable indicator of future performance and future performance is not guaranteed.

# BT Super to merge into the Mercer Super Trust

The transfer of BT Super into the Mercer Super Trust (Mercer Super) will bring the best of Mercer and BT together, aiming to deliver better retirement outcomes for more than 850,000 Australians.

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*The transfer of BT Super into the Mercer Super Trust will set a new bar for retirement outcomes for Australians – combining the best of price, performance and member services, and global and local scale.*

BT Spokesperson

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Your super fund's Trustee Board is focused on making the right decisions for the benefit of our members and promoting their best financial interests for the long-term. With that in mind, in May 2022, the Trustee announced that BT Super intends to merge into Mercer Super. Following our announcement, both Trustee Boards have approved the Successor Funds Transfer Deed to merge BT Super into Mercer Super and we're pleased to let our members know that the merger is on track to be completed in the first half of 2023. Importantly, our member's super will be transferred to a super fund that has passed APRA's, Annual Performance Assessment. We will share more details about what this means for our members in the months leading up to the transfer.

## About Mercer Super

Mercer Super has a wealth of local superannuation expertise and is committed to delivering strong retirement outcomes for Australians. Mercer's global team of approximately 1,300 investment professionals strive to seek out the best investment opportunities in Australia and around the world to help grow and protect members' super balances.

## Benefits for members

By being part of Mercer Super in 2023, members will have the potential to benefit from:

**Stronger performance.** Mercer Super's default investment option, Mercer SmartPath®, has achieved returns above the Default Options Median spanning three, five and seven years for the majority of members.

**Lower fees.** Most members will enjoy a fee reduction.

**More investment choice.** Members will have access to an expanded choice menu for those who want to take control of choosing their own investments, backed by Mercer's access to a diverse range of investment options.

**Broader member services.** An Australian-based team will be available to answer your calls and provide limited advice over the phone.

**Access to insurance cover.** Generally, if members have insurance cover, the amount and cost of any insurance cover held will not change as a result of the transfer.

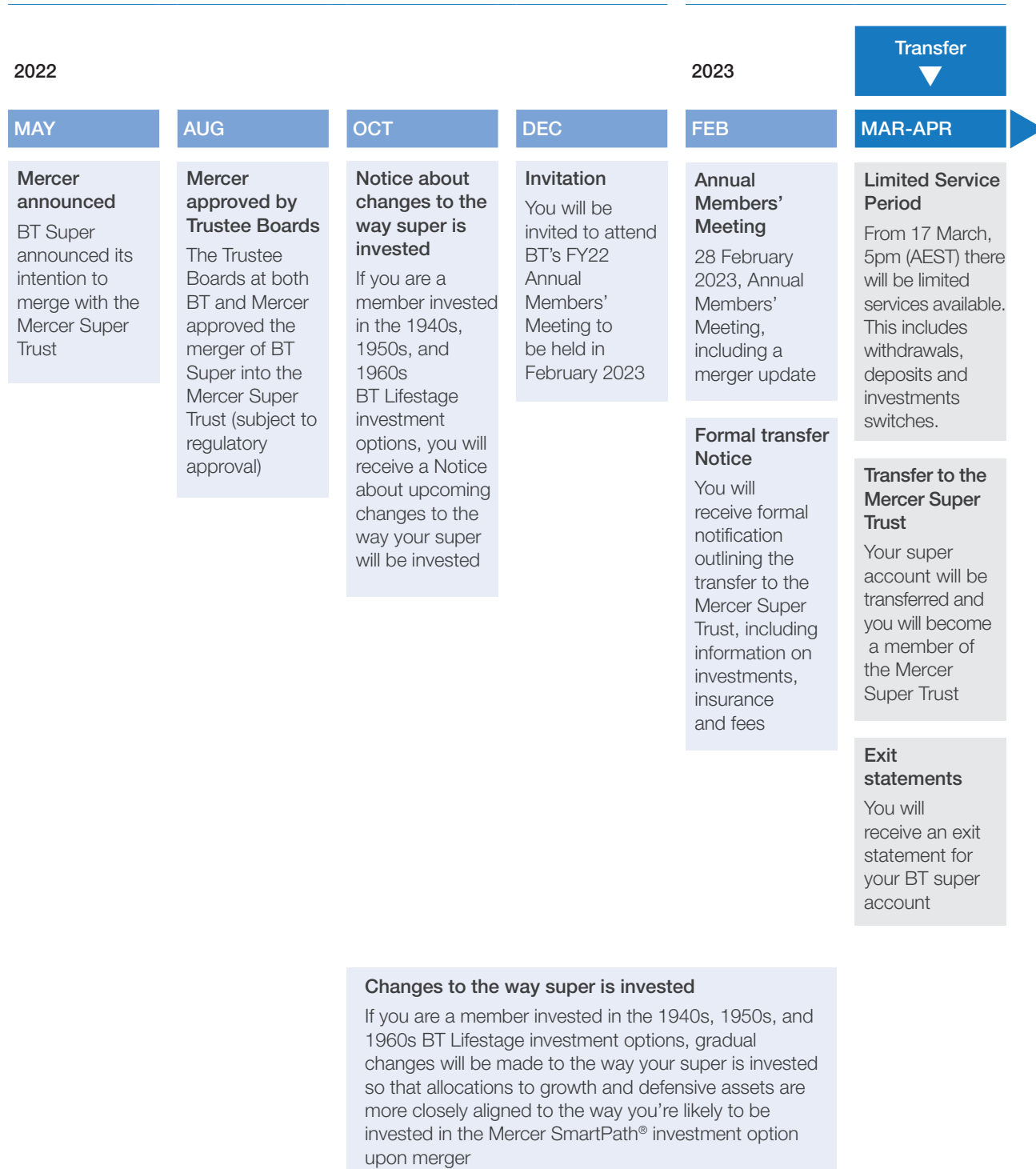
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<sup>1</sup> SuperRatings Fund Crediting Rate Survey – Default Options as of June 2022

Neither Mercer nor Mercer Superannuation (Australia) Limited is responsible for the contents of this Annual Report.

## BT Super to merge into the Mercer Super Trust

### The journey to Mercer Super Trust



These dates may change, please refer to [bt.com.au/supermerger](https://bt.com.au/supermerger) for updates.

# Help and support for members

At BT, we believe the greatest wealth is to live well. But we know to truly live well, people need support across all aspects of their life. We are constantly looking for ways to improve how we can support our members, and this year was no different.



## Helping you make the most of your super

We believe that understanding super and how it works is key to preparing members for their best financial future.

We email regular super updates to members, covering changes to their super and information to help them learn more about how they can make the most of their super and access the tools and resources available to them.

Our range of online easy-to-use super and retirement calculators continue to be popular with members, with over 40,000 visits to the calculator pages on our website annually. These calculators provide support for members – enabling them to see how much income they might need in retirement to live the lifestyle they want, and how their super is tracking toward that goal.

We've continued to receive great feedback about our webinars from the thousands of members who have attended, with more than 99% rating them as useful or very useful, and many compliments about our easy-to-understand language. Popular topics like investment markets and super performance, investing your super, how much super you need, and planning for retirement gave members a chance to learn and ask questions live, or to watch them on playback at a time to suit them.

For members of our employer super plans, our team of Relationship Managers have been on hand to answer members' questions, meeting one-on-one with more than 1,500 members this year. They also provided valuable guidance to employers to help them understand and meet their super obligations.

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*Absolutely fantastic session. Covered all of the key basic questions in a way that made it simple to understand. Thanks so much<sup>^</sup>*

feedback from attendee at super webinar

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<sup>^</sup> Comment from feedback survey for 'Your top questions about planning for retirement' webinar.



### Reduced fees for members

Following the migration of 430,000 members to BT Super and an internal simplification program which delivered productivity benefits we have now passed through a fee reduction to members.

From 1 February 2022 we provided a fee reduction to MySuper and Choice members that almost halved their dollar-based administration fee from \$108 pa to \$56 pa. This resulted in lower total fees for more than 470,000 of our members, totalling around \$20 million a year.



### Diverse investment choice

We understand members want flexibility and have different needs when investing their superannuation. Our investment menus are designed to offer as little, or as much, control as you choose to have over your super.

Members can choose to leave the investing to us and invest in a Lifestage investment option – where the mix of growth and defensive assets changes with their age and is automatically adjusted throughout their working life and into retirement. Or they can personalise their super investments by choosing from our Simple or Full investment menu to invest their super in line with their goals.

You can learn more about our investment menus and personalising your super through investment choice in the 'Understanding your investment in BT Super and BT Super for Life' section of this report on page 27.



### Investing sustainably

At BT we believe a sustainable approach to investment is fundamental to providing long-term value for our members.

In 2022, BT was awarded Rainmaker Information's ESG Leader Rating. The ESG Leader Rating is awarded to Australia's best super funds for implementing environmental, social and governance (ESG) principles to a high level. More information can be found at [bt.com.au/sustainability](https://bt.com.au/sustainability).

The BT Sustainability Principles outline how we incorporate sustainability across our range of products and investment options. We provide members a choice of investment options that prioritise sustainable outcomes. For the BT MySuper Lifestage investment options, as well as a range of other options available on our menu, we consider environmental and social issues when making investment decisions. We also use our influence to encourage companies to take action on key issues, like climate change, and human rights. It's not just about what we do and don't invest in, we look for evidence in the companies we invest in that they are doing the right thing by society and the planet. Our BT Sustainable Investment Policy tells you how we incorporate sustainability for these investment options.

More information on all of our investment options is available in the relevant Investment Guide or Additional Information Booklet – which you can find online at [bt.com.au](https://bt.com.au).





### Improving your online experience with smart technology

We've continued to work on upgrading and enhancing our technology to make it easier for members to manage their super online.

In particular, we upgraded the BT mobile app in October last year – with improved security such as facial recognition and a new-look user interface.

Members can access their super information via their online banking secure portal at [bt.com.au/btsuperportal](https://bt.com.au/btsuperportal), or via the BT Panorama app.

The app now includes faster navigation, updates and alerts all in one place. More investment details and quick-access searches make it easier for members to access the information they need most including their insurance, investments (and investment performance), account balance and the ability to update beneficiary information – amongst other things. Anytime, anywhere.

Members can also access 'Blue'<sup>1</sup>, our online virtual assistant, for help with simple questions and step-by-step guidance through common tasks relating to their super, 24 hours a day, 7 days a week.



### Supporting members in need of extra care

Our BT Priority Care team provide extra care for our most vulnerable members in their time of need, with dedicated case management, and a direct phone number they can call for help.

Providing assistance ranging from completing forms and walking through processes, through to referrals to third-party support services, the team has helped more than 15,000 members experiencing serious illness, financial abuse, family or domestic violence or cognitive impairment, access their super on compassionate or financial hardship grounds since they were established in 2018.



### Everyday discounts helping members save

BT Super and BT Super for Life members have access to our Benefits Now program which includes a range of offers, special deals and discounts on everyday things; from movie tickets to retail shopping.

Members can access Benefits Now through the online portal at [bt.com.au/btsuperportal](https://bt.com.au/btsuperportal) or through their online banking.

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*You were amazing to talk to and so much help ...  
I am very appreciative of the service provided and  
exceptional understanding by both of you.*

Priority Care customer

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<sup>1</sup> Blue is only accessible via Panorama.

# Recent developments in superannuation

## 1. 2022/23 superannuation thresholds

The superannuation contributions caps and various other superannuation thresholds that apply for the 2022/23 financial year are as follows:

	2022/23
<b>Concessional contributions cap</b>	\$27,500 <sup>1</sup>
<b>Non-concessional contributions cap</b>	\$110,000 <sup>2</sup>
<b>Capital Gains Tax (CGT) cap</b>	\$1,650,000
<b>Government co-contributions</b>	
Maximum co-contribution <sup>3</sup>	\$500
Lower threshold	\$42,016
Upper threshold (cut off)	\$57,016
<b>Superannuation Guarantee (SG) rate<sup>4</sup></b>	<b>10.5%</b>
<b>Low rate cap</b>	<b>\$230,000</b>

## 2. Pension drawdowns

The pension drawdown rates were temporarily reduced by 50% in 2019/20 financial year. These reduced rates have been extended to the 2020/21, 2021/22 and 2022/23 financial years due to COVID-19.

The table below illustrates the standard minimum pension factors and the temporary reduced rates.

Age	Reduced minimum rates for 2019/20 – 2022/23	Default minimum drawdown rates
Under age 65	2%	4%
65 to 74	2.5%	5%
75 to 79	3%	6%
80 to 84	3.5%	7%
85 to 89	4.5%	9%
90 to 94	5.5%	11%
95 or over	7%	14%

## 3. Super Guarantee increase

The rate of super guarantee increased to 10% from 1 July 2021; the first increase since 1 July 2014. Super guarantee rates will increase incrementally each year until they reach 12% in 2025 as per the table.

1 July 2014 – 30 June 2021	9.5%
1 July 2021	10%
1 July 2022	10.5%
1 July 2023	11%
1 July 2024	11.5%
1 July 2025	12%

- Members with a total super balance less than \$500,000 at the end of the previous financial year can make additional concessional contributions by utilising unused cap amounts accrued from 1 July 2018, for up to five financial years.
- If you were under age 75 on 1 July 2022 and satisfy other conditions you may be able to make larger non-concessional contributions over two or three financial years. Once your total super balance has reached \$1.7 million, your non-concessional contribution cap will be nil. Your total super balance is assessed as at 30 June of the previous financial year.
- The maximum co-contribution payable is phased out by 3.333 cents for every dollar of total income over the lower threshold, until it reaches zero at the upper threshold.
- The SG rate will increase by 0.5% each financial year (11% from 1 July 2023 and so on) until it reaches 12% on 1 July 2025.

#### 4. Removal of the work test requirements

From 1 July 2022, individuals under age 75 will be able to make voluntary contributions to their superannuation without having to meet the work test. Individuals aged 67 to 74 years will still have to meet the work test to make personal deductible contributions. It is important to note that the ATO will administer the validity of the work test for the member when claiming a tax deduction on their personal super contribution.

#### 5. Bring forward contributions

The government has increased the age at which you can bring-forward non-concessional (after-tax) super contributions. If you are under age 75 at any time in a financial year you may be able to contribute up to three times the annual cap. The amount you can contribute as a non-concessional contribution depends on your total super balance (across all funds) as at 30 June of the previous financial year.

#### 6. Removing the \$450 per month SG eligibility

The \$450 per month minimum income threshold that applies to employer Super Guarantee obligations has been removed so employees earning less than \$450 per month will be eligible for Super Guarantee.

#### 7. Age for downsizer contributions reduced to age 60

The downsizer scheme currently allows people aged 60 or over (previously aged 65 and over) to make a one-off contribution of up to \$300,000 to their superannuation from the proceeds of the sale of an eligible home. Other rules governing the scheme remain unchanged. This includes the home having to be owned for at least 10 years.

#### 8. Increase to the First Home Super Saver Scheme (FHSSS) maximum release amount to \$50,000

The maximum amount of voluntary contributions that can be released from superannuation to pay for the purchase of a first home is increased to \$50,000 (from \$30,000). This means that first home buyers will need to make voluntary contributions to superannuation for at least four years to be able to access the maximum \$50,000.

#### 9. Family law changes

The State Law has now passed\* to allow de facto couples from Western Australia to split superannuation. Previously the law prevented couples in Western Australia who were in a de facto relationship from splitting their super between them following separation. The change in State Law was the last piece to now bring all states in line allowing all spouses and de facto relationships the rights to split superannuation under family law.

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*The rate of super guarantee increased to 10.5% from 1 July 2022.*

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\* Still awaiting Royal Assent.

## Proposed changes to superannuation

The following proposed changes, are not yet law and are subject to change.

Additionally, the government held a mid year budget on 25 October 2022; as a result, there were no major changes to super introduced as part of the budget.

### 1. Extending the downsizer scheme to those aged 55 or over

The government plans to further reduce the eligibility age to make a downsizer contribution from age 60 to age 55. This will allow individuals aged 55 years and over to make a downsizer contribution.

### 2. Transfer balance cap increase

There is a limit on how much you can transfer to a super income stream where earnings are tax free, called the transfer balance cap. The general transfer balance cap is currently \$1.7 million. The transfer balance cap may be indexed to \$1.8 million from 1 July 2023. Your personal transfer balance cap may differ from the general cap from that date.

## Product changes

Product Updates for BT Super and BT Super for Life members can be found at [bt.com.au/product-updates](https://bt.com.au/product-updates).



### Need more information?

If you need any further information, please contact BT Customer Relations on 132 135 between Monday to Friday, 8.30am to 5.30pm (Sydney time) to understand these changes and the impact they may have on your super account.

# Understanding your investment in BT Super and BT Super for Life



## Investing in BT Super and BT Super for Life

BT partners with leading fund managers to offer you a diversified range of asset types and investment management styles. We provide you with two options for investing your money:



## BT Lifestage investment option

The BT Lifestage investment option is a portfolio designed to allocate and adjust your mix of assets as you age.

When you're younger, your BT Lifestage investment option will have a higher allocation towards growth assets such as shares and property, because you'll have more time to withstand the falls of the market which occur from time to time. As you grow older, the mix of assets will adjust to increase your investment in defensive (less risky) assets such as cash or fixed interest.

The MySuper product is specially designed to suit members at every stage of their life, with the same administration fees, investment fees and default insurance cover.



## Investment options

For more information on the investment objectives and strategies for each individual investment option, please refer to the Product Disclosure Statement on [bt.com.au](http://bt.com.au) or call us on 132 135 Monday to Friday 8.30am to 5.30pm Sydney time.



## Personalise your super

BT Super and BT Super for Life's investment menu offers a range of investment options with different levels of risk, asset classes and potential returns. You can access these investment options through the Simple or Full investment menu, to invest your super in line with your goals.

### Simple Menu

- Three Index diversified options

### Full Menu

- Diversified investment options
- Sector investment options
- Specialist investment options



## Changing your investment

You can change your investment mix at any time, after your account is opened, by logging into your BT Super or BT Super for Life account online. You can switch your current investment options and provide your investment selection for future contributions and rollovers.

For the investment objectives and strategies for each individual investment option, please refer to the Product Disclosure Statement on our website or call us on 132 135 Monday to Friday 8.30 am to 5.30 pm Sydney time.

### List of investment managers

BT Super and BT Super for Life offers investment options managed by the following investment managers:

Advance Asset Management Limited	Magellan Asset Management Limited
Antipodes Partners Limited	Pendal Institutional Limited
ClearBridge Investments Limited	PIMCO Australia Pty Limited
Dexus Asset Management Limited <sup>1</sup>	T. Rowe Price Australia Limited
FIL Investment Management (Australia) Limited	UBS Asset Management (Australia) Ltd
Franklin Templeton Investments Australia Limited <sup>2</sup>	Tyndall Asset Management Limited

1. The APN Property Group Limited has been acquired by Dexus Asset Management Limited and the APN AREIT investment option has been renamed to Dexus AREIT effective 30 October 2022.

2. The Franklin Templeton Multisector Bonds (Franklin Templeton) investment option has been terminated effective 7 December 2021.



#### Multi-manager options

Advance Asset Management Limited (Advance) is a specialist asset management business within BT. Advance adopts a predominantly multi-manager approach, selecting and blending reputable investment managers within each asset class and managing asset allocations for diversified products with in-depth monitoring and analysis undertaken for the funds it manages.



#### Specialist investment options

The specialist investment options are managed by a range of leading investment managers. These investment options give you the ability to diversify across asset classes and investment managers. For more information, refer to the Investment Option Profiles section of the Investment Guide/Additional Information Booklet.



#### Changes to investment option details

We review investment managers and investment options so that we continue to offer a quality range of investment options. As part of this review process, we may remove or add an investment manager, change investment consultants and, for the active investment options, change the way in which the options invest in underlying assets.

For the specialist investment options, we may change an investment manager and change the name of the corresponding investment option. We may do these things at any time and in some cases without notice. Where we don't give notice, we will notify members of any material changes relating to the investment options in the next regular communication following the change, or as otherwise required or permitted by relevant law.

The investment manager of the underlying fund may change an investment option's objective and strategy (including the benchmark), asset allocation and ranges, and currency strategy (if any), without prior notice.

We provide no assurance that any investment options currently available in BT Super and BT Super for Life will continue to be available in the future. Changes to investment managers together with information about current investment managers for particular investment options will generally be posted online at [bt.com.au](https://bt.com.au).

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*'We review investment managers and investment options so that we continue to offer a quality range of investment options.'*

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## Net earnings

The earnings rate for members in the investment option is reflected in the price of the units (except Cash), rather than being credited or debited against the accounts for members.

A change in the value of an investor's unit price generally reflects the earnings of the supporting assets in the investment option (except Cash).

## Method of allotment of earnings in all investment options

All income, including realised and unrealised capital gains and losses, and expenses for all investment options are brought to account and are reflected in the unit price of that option. Income tax as appropriate is provided for in the unit price or interest rate for each investment option.

## Derivatives

These are investments whose value is derived from other assets, such as shares, and may be used as part of the portfolio management process. Futures contracts and options are examples of derivatives.

Derivatives may be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying asset. Derivatives can also be used to gain exposure to assets and markets. While derivatives offer the opportunity for significantly higher gains from a smaller investment (because of the effective exposure obtained) they can also produce significantly higher losses, sometimes in excess of the amount invested.

The investment managers are required to have strict policies and procedures on the use of derivatives and generally are not permitted to use derivatives to gear the investment option unless otherwise stated.

## Manager selection process

We apply a robust, structured research process to the selection of managers. Our size, scale and research capabilities ensure you have access to leading specialist investment managers.

## How risk is measured

The level of risk, or Standard Risk Measure, for each investment option is based on an estimate of the number of negative annual returns that may be experienced over any 20-year period as shown in the table.

Standard Risk Measure		Estimated number of negative annual returns over any 20-year period
Risk band	Risk label	
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

The Standard Risk Measure is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20-year period. The Standard Risk Measure allows you to compare the level of risk of investment options within BT Super and BT Super for Life as well as other investment options available through other super funds.

When comparing the level of risk of investment options, it's important to take into consideration the investment option's investment objective, investment strategy and the strategic asset allocation.

The Standard Risk Measure is not a complete assessment of all forms of investment risk, for example it does not detail what the size of the negative return may be or the potential for a positive return to be less than the return you require to meet your investment objectives. It also does not take into consideration the impact of administration fees and tax on the likelihood of a negative return. You should ensure you are comfortable with the risks and potential losses associated with the investment options you choose to invest in. For information on the methodology used in the calculation of the Standard Risk Measure, please go to [bt.com.au/help/standard-risk-measure.asp](https://bt.com.au/help/standard-risk-measure.asp).

BT Super and BT Super for Life use a third party to supply the Standard Risk Measures. The Standard Risk Measures may differ to the underlying funds.



## Types of risks

There will always be the risk of fluctuations in the value of an investment. Investment risk can be managed and even minimised but it cannot be completely eliminated. It is important to understand that not all risks are foreseeable.

There is always the chance that you may lose money on any investment you make. Some common types of investment risks are outlined in the table below.

<b>Security specific risk</b>	An investment in, or exposure to, a company or managed fund that may be affected by unexpected changes in that company's or managed fund's operations (due to quality of management, use of technology etc) or its business environment.
<b>Market risk</b>	Markets are subject to a host of factors including economic conditions, government regulations, market sentiment, political events and environmental and technological issues. Market risk may have different impacts on each investment and investment style. It may mean that the value of your investment falls or that your investments cannot be readily sold.
<b>Currency risk</b>	If an investment is held in international assets, a rise in the Australian dollar relative to other currencies may negatively impact investment values or returns.
<b>Interest rate risk</b>	Changes in interest rates can have a negative impact either directly or indirectly on investment value or returns of all types of assets.
<b>Derivatives and gearing risk</b>	Some of the investment options available in BT Super and BT Super for Life may use derivatives and gearing (borrowing). The value of derivatives is linked to the value of the underlying assets and can be highly volatile. Potential gains and losses from derivative transactions can be substantial.
<b>Alternative investments risk</b>	<p>Underlying funds may invest in 'alternative investments'. Alternative investments is a category that includes a range of sophisticated investments including hedge funds, venture capital, private equity, leveraged and management buyouts, commodities and futures trading funds. Like shares, property, fixed interest and cash, alternative investments are subject to certain risks that may include periods of large market falls, high volatility or reduced liquidity (i.e. the ability to sell investments immediately).</p> <p>Certain alternative investments carry significant risk. In addition, losses may arise due to other factors, including poor judgement, misconduct or fraud. Some investment strategies are reliant on key individuals. Some alternative investments may be based in countries where the level of regulatory supervision is lower than in Australia.</p>
<b>Credit risk</b>	There is always a risk of loss arising from the failure of a debtor or other party to a contract to meet their obligations. This potentially arises with various investments including derivatives and fixed interest and mortgage securities.
<b>Liquidity risk</b>	This is the risk that an investment may not be easily converted into cash with little or no loss of capital and minimum delay because of either not enough buyers in the market for the particular investment or disruptions in the marketplace. Securities in small companies in particular may, from time to time and especially in falling markets, become less liquid.
<b>Legal and regulatory risk</b>	Changes are frequently made to superannuation law, which may affect your ability to access your investments. Changes can also occur in the taxation of superannuation, which may affect the value of your investment.

# Performance information

It is important to note that our MySuper Lifestage investment options for BT Super and BT Super for Life have failed the annual performance assessment administered by the Australian Prudential Regulation Authority (APRA) for the second consecutive year, which means these products are now closed to new applicants.



## How we calculate performance

### MySuper Lifestage investment options

Performance figures are calculated in accordance with the APRA reporting standards. Total returns are calculated using withdrawal prices appropriate for the month end and take into account all fees and costs, including the dollar based and percentage based administration fee, and earnings tax up to a maximum of 15%. Additional costs apply and vary by investment option. Refer to the Fees and Costs section of the Product Disclosure Statement (PDS) for details.

### Choice investment options

Performance figures are calculated in accordance with the Financial Services Council (FSC) standards. Total returns are calculated using withdrawal prices appropriate for the month end and take into account all fees and costs (other than the dollar based administration fee) and, in the case of super and transition to retirement investment options, take into account earnings tax up to a maximum of 15%. In the case of Retirement investment options, no allowance is made for tax you may pay as a member other than withholding tax on foreign income (if any). Additional costs apply and vary by investment option. Refer to the Fees and Costs section of the PDS for details.

The latest performance information is available from our website at [bt.com.au](https://bt.com.au) or by calling BT Customer Relations on 132 135.



## Performance as at 30 June 2022

Past performance of investments are not a reliable indicator of future performance. For actual performance of your account in BT Super or BT Super for Life, for the year ended 30 June 2022, please refer to your Annual Statement. For more recent performance information, you may access this at our website at [bt.com.au/prices-and-performance](https://bt.com.au/prices-and-performance) or call BT Customer Relations on 132 135, Monday to Friday 8.30am to 5.30pm (Sydney time).

## Investments exceeding 5%

The following investment options have a holding of 5% or more in any one asset and the details of that holding as at 30 June 2022 are shown below. Investment options that do not have holdings exceeding 5% are not shown below.



### BT Super and BT Super for Life

Investment Option	APIR Code	Direct Asset	% of Direct Asset held	Indirect Asset	% of Indirect Asset held
BT Super for Life – 1940s Lifestage Fund – Savings	BTA0288AU	1940's Lifestage Fund – A	100.00%	BT Wholesale Multi-manager Protector Fund	99.99%
BT Super for Life – 1950s Lifestage Fund – Savings	BTA0289AU	1950's Lifestage Fund – A	100.00%	BT Wholesale Multi-manager Protector Fund	86.19%
				BT Wholesale Multi-manager Accumulator Fund	13.81%
BT Super for Life – 1960s Lifestage Fund – Savings	BTA0290AU	1960's Lifestage Fund – A	100.00%	BT Wholesale Multi-manager Accumulator Fund	48.28%
				BT Wholesale Multi-manager Protector Fund	51.72%
BT Super for Life – 1970s Lifestage Fund – Savings	BTA0291AU	1970's Lifestage Fund – A	100.00%	BT Wholesale Multi-manager Accumulator Fund	99.98%
BT Super for Life – 1980s Lifestage Fund – Savings	BTA0292AU	1980's Lifestage Fund – A	100.00%	BT Wholesale Multi-manager Accumulator Fund	99.96%
BT Super for Life – 1990s Lifestage Fund – Savings	BTA0293AU	1990's Lifestage Fund – A	100.00%	BT Wholesale Multi-manager Accumulator Fund	99.93%
BT Super for Life – 2000s Lifestage Fund	BTA0442AU	2000's Lifestage Fund – A	100.00%	BT Wholesale Multi-manager Accumulator Fund	99.93%
BT Super – Active Defensive – Super & TTR	BTA7639AU	BT Wholesale Multi-manager Conservative Fund	100.00%	Advance Australian Fixed Interest MBF	22.09%
				Advance International Fixed Interest MBF	15.78%
				Advance Defensive Yield MBF	13.85%
				Advance Cash MBF	11.66%
				WSSP International Equities Trust	8.10%
				WSSP Australian Equities Trust	7.63%

## Investments exceeding 5%



### BT Super and BT Super for Life

Investment Option	APIR Code	Direct Asset	% of Direct Asset held	Indirect Asset	% of Indirect Asset held
BT Super – Active Moderate – Super & TTR	BTA5118AU	BT Wholesale Multi-manager Moderate Fund	100.00%	Advance Australian Fixed Interest MBF	14.17%
				WSSP Australian Equities Trust	12.30%
				Advance International Fixed Interest MBF	11.77%
				WSSP International Equities Trust	10.81%
				BT International Shares Index Fund	10.79%
				Advance Cash MBF	10.16%
				Advance Defensive Yield MBF	8.69%
BT Super – Active Balanced – Super & TTR	BTA8610AU	BT Wholesale Multi-manager Balanced Fund	100.00%	BT Australia Shares Index Fund	6.29%
				WSSP Australian Equities Trust	17.22%
				WSSP International Equities Trust	17.05%
				BT Australia Shares Index Fund	8.48%
				Advance International Fixed Interest MBF	7.50%
				Advance Defensive Yield MBF	6.97%
BT Super – Active Growth – Super & TTR	BTA1267AU	BT Wholesale Multi-manager Growth Fund	100.00%	Advance Australian Fixed Interest MBF	5.71%
				BT International Shares Index Fund	23.45%
				WSSP Australian Equities Trust	18.63%
				WSSP International Equities Trust	18.07%
				BT Australia Shares Index Fund	13.08%
BT Super – Active High Growth – Super & TTR	BTA4469AU	BT Wholesale Multi-manager High Growth Fund	100.00%	Advance Property Securities MBF	5.74%
				BT International Shares Index Fund	23.85%
				WSSP Australian Equities Trust	23.89%
				WSSP International Equities Trust	19.20%
				BT Australia Shares Index Fund	15.91%
BT Super – Active Global Fixed Interest – Super & TTR	BTA3075AU	BT Wholesale Multi-manager Fixed Interest Fund	100.00%	Advance Property Securities MBF	5.79%
				Advance Australian Fixed Interest MBF	60.28%
				Advance International Fixed Interest MBF	39.72%

## Investments exceeding 5%



### BT Super and BT Super for Life

Investment Option	APIR Code	Direct Asset	% of Direct Asset held	Indirect Asset	% of Indirect Asset held
BT Super – Active International Shares – Super & TTR	BTA3009AU	Advance International Shares MBF	100.00%		
BT Super – Active Australian Shares – Super & TTR	BTA9311AU	Advance Australian Shares MBF	100.00%		
BT Super – Active Global Property – Super & TTR	BTA4584AU	Advance Property Securities MBF	100.00%		
BT Super – Index Defensive – Super & TTR	BTA6292AU	BT Index Defensive Fund	100.00%	Advance Cash MBF	26.89%
				BT Australian Fixed Interest Index Fund	25.25%
				BT International Fixed Interest Index Fund	17.99%
				BT Australian Shares Index Fund	12.94%
				BT Property Securities Index Fund	5.00%
BT Super – Index Moderate – Super & TTR	BTA6329AU	BT Index Moderate Fund	100.00%	BT Australian Shares Index Fund	32.75%
				BT International Shares Index Fund (Unhedged)	20.32%
				BT Australian Fixed Interest Index Fund	14.20%
				BT International Fixed Interest Index Fund	11.06%
				BlackRock International Property Securities Index Fund – \$A Hedged	6.12%
				BT Property Securities Index Fund	6.09%
BT Super – Index Balanced – Super & TTR	BTA2413AU	BT Index Balanced Fund	100.00%	BT Australian Shares Index Fund	24.82%
				BT Australian Fixed Interest Index Fund	21.34%
				BT International Fixed Interest Index Fund	17.15%
				BT International Shares Index Fund (Unhedged)	12.22%
				Advance Cash MBF	11.55%
				BlackRock International Property Securities Index Fund – \$A Hedged	5.09%

## Investments exceeding 5%



### BT Super and BT Super for Life

Investment Option	APIR Code	Direct Asset	% of Direct Asset held	Indirect Asset	% of Indirect Asset held
BT Super – Index Growth – Super & TTR	BTA1570AU	BT Index Growth Fund	100.00%	BT Australian Shares Index Fund	46.88%
				BT International Shares Index Fund (Unhedged)	33.30%
				BlackRock Index Hedged International Equity Fund	7.95%
				BT Property Securities Index Fund	5.01%
BT Super – Index High Growth – Super & TTR	BTA1215AU	BT Index High Growth Fund	100.00%	BT Australian Shares Index Fund	39.67%
				BT International Shares Index Fund (Unhedged)	24.20%
				BlackRock International Property Securities Index Fund – \$A Hedged	7.64%
				BT Property Securities Index Fund	7.49%
				BT Australian Fixed Interest Index Fund	7.05%
				BlackRock Index Hedged International Equity Fund	6.01%
BT Super – Index Australian Shares – Super & TTR	BTA0749AU	BT Australian Shares Index Fund	100.00%		
BT Super – Index International Shares – Super & TTR	BTA3104AU	BT International Shares Index Fund	100.00%		
BT Super – Index Property Securities – Super & TTR	BTA5401AU	BT Property Securities Index Fund	100.00%		
BT Super – Index Australian Fixed Interest – Super & TTR	BTA7978AU	BT Australian Fixed Interest Index Fund	100.00%		
BT Super – Index International Fixed Interest – Super & TTR	BTA5137AU	BT International Fixed Interest Index Fund	100.00%		
Pendal Growth Shares – Super & TTR	BTA0295AU	BT Split Growth Fund	100.00%		

## Investments exceeding 5%



### BT Super and BT Super for Life

Investment Option	APIR Code	Direct Asset	% of Direct Asset held	Indirect Asset	% of Indirect Asset held
Pendal Sustainable Conservative – Super & TTR	BTA0294AU	Pendal Sustainable Conservative Fund	100.00%		
Pendal Sustainable Balanced – Super & TTR	BTA0296AU	Pendal Sustainable Balanced Fund	100.00%		
Pendal Core Australian Shares – Super & TTR	BTA8782AU	Pendal Australian Share Trust	100.00%	BHP Billiton Limited	12.54%
				CSL Limited	8.69%
				Telstra Corporation Limited	6.15%
				Commonwealth Bank of Australia Limited	5.85%
				Santos Limited	5.00%
Cash – Super & TTR	BTA0297AU	BT Super Cash Fund	100.00%	ANZ Convert Dep 11am 185D	11.11%
				NAB 366 Days 11am	10.44%
				NAB Rolling Deposit 180 Days	5.18%
Pendal Technology	BTA0939AU	Pendal Technology Trust	100.00%	Microsoft Corp	13.11%
				Alphabet Inc Class A	9.93%
				Amazon.com Inc	8.62%
				Mastercard Inc	5.10%
Pendal Australian Property Securities – Super & TTR	BTA6520AU	Pendal Property Trust	100.00%	Goodman Group	25.93%
				Scentre Group	13.12%
				Stockland Trust Group	9.41%
				GPT Group	7.95%
				Vicinity Centres	6.40%
				Charter Hall Group	5.19%
Pendal Global Property Securities – Super & TTR	BTA5958AU	Pendal Global Property Trust	100.00%		
Pendal Australian Bonds – Super & TTR	BTA0956AU	Pendal Fixed Interest Fund	100.00%	Australian Government CGL 1.0000% 21/12/2030	7.56%
				Tasmanian Public Finance 4% 06/11/2024	5.21%

## Investments exceeding 5%



### BT Super and BT Super for Life

Investment Option	APIR Code	Direct Asset	% of Direct Asset held	Indirect Asset	% of Indirect Asset held
Fidelity Australian Shares	BTA8643AU	Fidelity Wholesale Plus Australian Equities Fund	10.71%		
Tyndall AM Value Australian Shares	BTA3197AU	Nikko AM Wholesale Plus Australian Share Fund	64.93%		
Antipodes Global	BTA7669AU	Antipodes Wholesale Plus Global Fund	12.77%		
T. Rowe Price Global Shares	BTA6816AU	T. Rowe Price Wholesale Plus Global Equity Fund	6.35%		
UBS Australian Bonds	BTA7850AU	UBS Wholesale Plus Australian Bond Fund	14.26%		
PIMCO International Bonds	BTA2241AU	PIMCO Wholesale Plus Global Bond Fund	6.38%		
ClearBridge RARE Infrastructure Value (Unhedged)	BTA1038AU	ClearBridge RARE Infrastructure Wholesale Plus Value Fund – Unhedged	7.49%		



# Other important information

## Who is responsible for BT Super and BT Super for Life?

BT Super and BT Super for Life form part of Retirement Wrap (the 'Fund') ABN 39 827 542 991 and are issued by BT Funds Management Limited ABN 63 002 916 458 AFSL 233724 ('BTFM', 'Trustee', 'we', 'our' or 'us') which is a member of the Westpac Group. The Unique Superannuation Identifier for BT Super and Super for Life is BTA0287AU.

Insurance is provided through group policies with an insurer. The cover under these policies ('the Master Policies') is provided by AIA Australia Limited from 1 July 2020, ABN 79 004 837 861, AFSL 230043. AIA Australia Limited is located at 345 George St, Sydney NSW 2000, Australia.

Prior to 1 July 2020, these policies were covered by Westpac Life Insurance Services Limited ABN 31 003 149 157, AFSL 233728.

BT Super and BT Super for Life are a resident regulated superannuation fund within the meaning of the *Superannuation Industry (Supervision) Act 1993* ('SIS Act').

Your rights in relation to the Fund are governed by the Trust Deed (which overrides any provisions in the Product Disclosure Statement), the SIS Act, the *Corporations Act 2001* ('Corporations Act'), related legislation governing super and the general law.

## Policy Committee procedures for BT Super Employer plans

Under superannuation law, we must seek to establish a policy committee if your employer's plan has 50 or more members. The policy committee is an avenue for you to ask us for specific information and lodge complaints or enquiries about the operation or management of your employer's plan.

Information about how to establish a policy committee will be sent to your employer if your employer's plan has 50 or more members.

If your employer's plan has between 5 and 49 members, a policy committee must be established if at least five members make a written request to do so.

## Temporary residents

A temporary resident is a holder of a temporary visa under the *Migration Act 1958*.

From 1 April 2009, if you are, or were, a temporary resident and are not an Australian citizen, New Zealand citizen or permanent resident of Australia, or a holder of a retirement visa (Subclass 405 or 410), you can generally only access your preserved super benefits if you become permanently incapacitated, have a terminal medical condition, or have departed Australia permanently and your visa has ceased, or your beneficiaries may access your benefits if you die.

You may also be able to access your benefit if you satisfied another condition of release under superannuation law before 1 April 2009.

The Australian Government also requires us to pay temporary residents' unclaimed super to the ATO after at least six months have passed since the later of:

- the date a temporary resident's visa ceased to be in effect; and
- the date a temporary resident permanently left Australia.

Applications to claim your benefit can be made using the ATO Departing Australia Superannuation Payment ('DASP') online application system. To access this system and full information regarding DASP procedures and current tax rates visit [ato.gov.au](http://ato.gov.au).

We are permitted under, and rely on, ASIC relief under Class Order CO 09/437 to not notify or provide an exit statement to a non-resident in circumstances where we pay unclaimed superannuation to the ATO under Division 3 of Part 3A of the *Superannuation (Unclaimed Money and Lost Members) Act 1999*.

Non-residents have the right to make an application to the Commissioner of Taxation to claim unclaimed superannuation under Division 4 of Part 3A of the *Superannuation (Unclaimed Money and Lost Members) Act 1999*.

## Other important information



### Feedback and Complaints

#### **Delivering on our service promise**

We're constantly striving to provide the best possible service, and we'll do our best to resolve any concern you have efficiently and fairly.

#### **Our commitment to you**

If you're ever unhappy about something we've done – or perhaps not done – please give us the opportunity to put things right.

Our aim is to resolve your complaint within 5 business days, and where possible we will resolve your complaint on the spot. If we need some additional time to get back to you, we will let you know. Should we be unable to resolve your concern at your first point of contact, we will then refer the complaint to our dedicated Customer Managers.

Our Customer Managers are here to find a solution for you and will ensure that you're regularly updated about the progress we are making to resolve your complaint.

#### **You can contact us:**

##### **Over the phone:**

Please call us from anywhere in Australia on 132 135. If you are overseas, please call +612 9155 4070.

##### **By post:**

BT Financial Group  
GPO Box 2675  
Sydney NSW 2001

##### **Online:**

Using the secure feedback form at  
[secure.bt.com.au/contact-us/contact-form.asp](https://secure.bt.com.au/contact-us/contact-form.asp)

For further information go to our website and search 'Feedback and Complaints'.

#### **If you are still unhappy**

If you are not satisfied with our response or handling of your complaint, you can contact the external dispute resolution scheme, the Australian Financial Complaints Authority (AFCA).

#### **Australian Financial Complaints Authority**

The Australian Financial Complaints Authority (AFCA) provides a free and independent service to resolve complaints by consumers and small businesses about financial firms (e.g., banks), where that complaint falls within AFCA's terms of reference.

The contact details for AFCA are set out below.

#### **Australian Financial Complaints Authority**

**Online:** [www.afca.org.au](https://www.afca.org.au)

**Email:** [info@afca.org.au](mailto:info@afca.org.au)

**Phone:** 1800 931 678 (free call)

**Post:** Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001

## Other important information

### Superannuation contributions surcharge

If you are liable for superannuation contribution surcharge the amount will be deducted from your account.

### Indemnity insurance

The Trustee is indemnified by a policy of insurance in respect of its duties as Trustee of BT Super and BT Super for Life.

### Reserves

The Fund no longer allows for a reserve account to be set up in respect of each super plan. If your employer has retained a reserve account, details of the movements in your plan's reserve account and its management strategy may be disclosed to you on your annual super statement which forms part of the annual report.

You can obtain a copy of your annual statement by calling BT Customer Relations on 132 135, Monday to Friday, 8.30am to 5.30pm (Sydney time).

### Financial information

As permitted under the Corporations Act, audited fund accounts and the auditor's report have not been included with this annual report. Copies of complete audited financial statements and the auditor's report will be available from:

- BT Funds Management Limited  
Level 18, 275 Kent Street, Sydney NSW 2000
- or by calling BT Customer Relations on 132 135, Monday to Friday 8.30am to 5.30pm (Sydney time).

### Committees

The Board delegated committees are:

- Board Audit Committee;
- Board Risk and Compliance Committee; and
- Board Investment Committee.

### Further information

You are welcome to call us at any time if you have any questions regarding this report or require further information about BT Super and BT Super for Life. Details of how we can be contacted are at the end of this report.

# Financial information



## BT Super and BT Super for Life

Statement of Financial Position as at 30 June 2022. The financial information in this section consists of members in the BT Super, BT Super for Life and BT Super for Life – Westpac Group Plan products.

	As at 30 June 2022	As at 30 June 2021
	\$'000	\$'000
<b>Assets</b>		
Cash and cash equivalents	114,439	53,323
Margin accounts	4,064	–
Unsettled sales	91	1,087
Accrued income	2,456,627	1,758,342
Receivables	45,246	45,036
Financial assets held at fair value through profit or loss	31,866,338	34,679,661
Tax refund due	14,810	–
Deferred tax assets	360,000	–
<b>Total Assets</b>	<b>34,861,615</b>	<b>36,537,449</b>
<b>Liabilities</b>		
Margin accounts	4,047	–
Payables	29,172	33,392
Financial liabilities held at fair value through profit or loss	23,359	5,606
Income tax payable	–	225,435
Deferred tax liabilities	–	218,808
<b>Total liabilities (excluding member benefits)</b>	<b>56,578</b>	<b>483,241</b>
<b>Net assets available for member benefits</b>	<b>34,805,037</b>	<b>36,054,208</b>
Defined contribution member liabilities	32,568,790	33,935,838
Defined benefit member liabilities	2,067,849	2,202,474
<b>Total net assets/(liabilities)</b>	<b>168,398</b>	<b>(84,104)</b>
<b>Equity</b>		
Defined benefits that are over/(under) funded	(54,042)	23,291
Unallocated benefits/(deficits)	222,440	(107,395)
<b>Total equity/(deficit)</b>	<b>168,398</b>	<b>(84,104)</b>

This annual report contains unaudited abridged financial information for the financial year ended 30 June 2022 in relation to BT Super and BT Super for Life as part of Retirement Wrap (Fund). The full audited financial statements and auditor's report for Retirement Wrap are available on request by contacting 132 135.



## BT Super and BT Super for Life

Income Statement for the year ended 30 June 2022. The financial information in this section consists of members in the BT Super, BT Super for Life and BT Super for Life – Westpac Group Plan products.

	Year ended 30 June 2022	Year ended 30 June 2021
	\$'000	\$'000
<b>Superannuation activities</b>		
Interest income	52	5
Dividend income	7,394	4,398
Distribution income	2,655,795	2,583,279
Net gains/(losses) on financial instruments held at fair value through profit or loss	(5,676,209)	4,046,413
Other income	43,351	31,212
<b>Total net income</b>	<b>(2,969,617)</b>	<b>6,665,307</b>
Trustee's fees	95,953	87,385
Other expenses	45,691	53,199
<b>Total expenses</b>	<b>141,644</b>	<b>140,584</b>
<b>Profit/(loss) from superannuation activities before income tax</b>	<b>(3,111,261)</b>	<b>6,524,723</b>
Income tax expense/(benefit)	(528,325)	616,803
<b>Profit/(loss) from superannuation activities after income tax</b>	<b>(2,582,936)</b>	<b>5,907,920</b>
Less: net benefit allocated to defined contribution members' accounts	2,423,703	(5,601,934)
Less: net change in defined benefit member liabilities	81,900	(271,981)
<b>Profit/(loss) after income tax</b>	<b>(77,333)</b>	<b>34,005</b>

This annual report contains unaudited abridged financial information for the financial year ended 30 June 2022 in relation to BT Super and BT Super for Life as part of Retirement Wrap (Fund). The full audited financial statements and auditor's report for Retirement Wrap are available on request by contacting 132 135.



## BT Super and BT Super for Life

Statement of Changes in Member Benefits for the year ended 30 June 2022. The financial information in this section consists of members in the BT Super, BT Super for Life and BT Super for Life – Westpac Group Plan products.

For the year ended 30 June 2022	Defined contribution	Defined benefit	Total
	\$'000	\$'000	\$'000
<b>Opening balance of member benefits</b>	33,935,838	2,202,474	36,138,312
Employer contributions	2,494,272	69,469	2,563,741
Member contributions	263,554	732	264,286
Transfers from other super entities	676,085	–	676,085
Successor fund transfer	2,866,736	–	2,866,736
Superannuation co-contributions	1,911	–	1,911
Income tax on net contributions	(342,198)	(10,293)	(352,491)
<b>Net after tax contributions</b>	5,960,360	59,908	6,020,268
Benefit payments	(4,361,390)	(110,486)	(4,471,876)
Insurance premiums charged to members' account	(365,608)	(2,565)	(368,173)
Insurance benefit credited to members' account	153,379	418	153,797
Adviser fees	(251)	–	(251)
Net benefits allocated to members' accounts, comprising:			
Net benefits allocated to defined contribution members' accounts	(2,423,703)	–	(2,423,703)
Net change in defined benefit member liabilities	–	(81,900)	(81,900)
Transfer from/(to) unallocated benefits/(deficits)	(329,835)	–	(329,835)
<b>Closing balance of member benefits</b>	32,568,790	2,067,849	34,636,639

This annual report contains unaudited abridged financial information for the financial year ended 30 June 2022 in relation to BT Super and BT Super for Life as part of Retirement Wrap (Fund). The full audited financial statements and auditor's report for Retirement Wrap are available on request by contacting 132 135.



## BT Super and BT Super for Life

Statement of Changes in Member Benefits for the year ended 30 June 2021. The financial information in this section consists of members in the BT Super, BT Super for Life and BT Super for Life – Westpac Group Plan products.

For the year ended 30 June 2021	Defined contribution	Defined benefit	Total
	\$'000	\$'000	\$'000
Opening balance of member benefits	27,658,615	1,987,688	29,646,303
Employer contributions	2,212,532	38,519	2,251,051
Member contributions	227,560	774	228,334
Transfers from other super entities	545,952	–	545,952
Successor fund transfer	1,343,192	–	1,343,192
Superannuation co-contributions	2,065	–	2,065
Income tax on net contributions	(287,271)	(5,902)	(293,173)
Net after tax contributions	4,044,030	33,391	4,077,421
Benefit payments	(3,297,187)	(89,898)	(3,387,085)
Insurance premiums charged to members' account	(324,639)	(1,827)	(326,466)
Insurance benefit credited to members' account	147,075	1,139	148,214
Adviser fees	(1,385)	–	(1,385)
Net benefits allocated to members' accounts, comprising:			
Net benefits allocated to defined contribution members' accounts	5,601,934	–	5,601,934
Net change in defined benefit member liabilities	–	271,981	271,981
Transfer from/(to) unallocated benefits/(deficits)	107,395	–	107,395
Closing balance of member benefits	33,935,838	2,202,474	36,138,312

This annual report contains unaudited abridged financial information for the financial year ended 30 June 2022 in relation to BT Super and BT Super for Life as part of Retirement Wrap (Fund). The full audited financial statements and auditor's report for Retirement Wrap are available on request by contacting 132 135.

## Financial Information



### BT Super and BT Super for Life

Statement of Changes in Equity for the year ended 30 June 2022. The financial information in this section consists of members in the BT Super, BT Super for Life and BT Super for Life – Westpac Group Plan products.

	Year ended 30 June 2022	Year ended 30 June 2021
	\$'000	\$'000
<b>Defined benefits that are over/(under) funded</b>		
Opening balance	23,291	(10,714)
Profit/(loss) after income tax	(77,333)	34,005
Closing balance	(54,042)	23,291
<b>Unallocated benefits/(deficits)</b>		
Opening balance	(107,395)	–
Net unallocated benefits/(deficits)	329,835	(107,395)
Closing balance	222,440	(107,395)

This annual report contains unaudited abridged financial information for the financial year ended 30 June 2022 in relation to BT Super and BT Super for Life as part of Retirement Wrap (Fund). The full audited financial statements and auditor's report for Retirement Wrap are available on request by contacting 132 135.

As at 30 June 2022, the net assets attributable to defined contribution members have been substantially allocated, except for timing in recognition of tax liabilities (unallocated benefits: \$223,668,000) and income and expense accruals (unallocated deficits: \$1,228,000). The unallocated amounts are shown in the statement of financial position as "Unallocated benefits/(deficits)" within equity and in the statement of changes in equity, and movements are shown in the statement of changes in member benefits.

As at 30 June 2021, the net assets attributable to defined contribution members have been substantially allocated, except for timing in recognition of tax liabilities (unallocated deficits: \$105,870,000) and income and expense accruals (unallocated deficits: \$1,525,000). The unallocated amounts are shown in the statement of financial position as "Unallocated benefits/(deficits)" within equity and in the statement of changes in equity, and movements are shown in the statement of changes in member benefits.



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132 135

GPO Box 2861 Adelaide SA 5001



## BT Super

### *SIMS Group Defined Benefit Account – Part 2 Annual Report*

for the year ended 30 June 2022

**This Annual Report has two parts:**

- Part 1 – BT Super Annual Report  
30 June 2022
- Part 2 – SIMS Group Defined Benefit Annual Report  
30 June 2022

Members should read both parts.

BT Funds Management Limited  
ABN 63 002 916 458  
AFSL 233724

Westpac Banking Corporation  
ABN 33 007 457 141

## Contents

Introduction	1
Investment information	2
Financial position of the defined benefit sub-plan and other information	3

### About this Annual Report

BT Funds Management Limited ABN 63 002 916 458, AFSL No.233724, RSE No. L0001090 ('Trustee', 'we', 'our' or 'us') is the Trustee of BT Super for Life and BT Super (referenced as 'BT Super' throughout this document) which is part of Retirement Wrap ABN 39 827 542 991, RSE No. R1001327.

An investment in BT Super is not an investment in, deposit with or any other liability of Westpac Banking Corporation ABN 33 007 457 141 (the Bank) or any other company in the Westpac Group. It is subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested. The Bank and its related entities do not stand behind or otherwise guarantee the capital value or investment performance of any investment option offered through BT Super, including the Cash investment option.

The investment manager for the BT investment options is Pandal Institutional Limited ABN 17 126 390 627, AFSL 316455 and for BT Lifestage investment option, the investment manager is Advance Asset Management Limited ABN 98 002 538 329, AFSL 240902. The Trustee may use other investment managers from time to time which are detailed within relevant disclosure material.

This information has been prepared without taking account of your objectives, financial situation or needs. Because of this you should, before acting on this information, consider its appropriateness, having regard to your objectives, financial situation and needs. Past performance is not a reliable indicator of future performance. A Product Disclosure Statement (PDS) is available on this website: [bt.com.au](http://bt.com.au), or by calling 132 135.

You should obtain and consider the PDS before deciding whether to acquire, continue to hold or dispose of interests in BT Super. Retirement Wrap is a regulated superannuation fund under the Superannuation Industry (Supervision) Act 1993 (SIS) and is not subject to a direction under section 63 of SIS. BT Super is governed by the terms of the Retirement Wrap Trust Deed. The tax position described is a general statement and is for guidance only. It has not been prepared by a registered tax agent. It does not constitute tax advice and is based on current tax laws and our interpretation. Your individual situation may differ and you should seek professional tax advice.

The Annual Report was prepared in December 2022.

# Introduction

We're pleased to present the Annual Report for the BT Super – SIMS Group Defined Benefit Account as at 30 June 2022. This report is issued in accordance with the *Corporations Act 2001*. It contains general information, providing details of the financial position and management of the accounts for the BT Super – SIMS Group Defined Benefit Account.

This report also details how you can obtain additional information about your account. You can request additional information (including the trust deed, financial statements and auditor's report) from our Customer Relations team by calling 132 135 or by using the secure online feedback form at [secure.bt.com.au/contact-us/contact-form.asp](https://secure.bt.com.au/contact-us/contact-form.asp)

# Investment information

## Investment Policy

The Trustee, in consultation with the Registrable Superannuation Entity (RSE) actuary and your employer, has decided to invest the defined benefit assets in the Active Defensive investment option within BT Super. This decision takes into account the nature of the defined benefit liabilities and the aim to minimise the volatility of the sub-plan's funding position.

Investment returns	% pa
Defined Benefit sub-plan crediting rate for the year to 30 June 2022	-5.94

## Net Earning Rate

The net earning rate is calculated as the percentage change in unit price from the start to the end of the year.

## Crediting Rate

The crediting rate is calculated by the RSE actuary and can vary from the net earning rate as a result of the effect of cash flow and other factors.

## Crediting Rate for Delayed Benefit Payments

On 27 August 2010 the Trustee changed the crediting rate methodology for 'delayed' benefit payments to defined benefit members ie where there is a delay of more than 30 days between the exit date of the member and the date that the member's exit benefit is actually paid.

The Trustee applies a crediting rate to the benefit calculated as the most recent one year return available for the BT Cash investment option within the plan applied from the member exit date until the benefit is actually paid.

Please note benefits paid to defined benefit members within 30 days of the date of exit will not have a crediting rate applied. Furthermore there is no change to the crediting rate applied to surcharge accounts.

## Investment strategy and investment objectives

For more information on the investment strategy and investment objectives for BT Super, please refer to the Product Disclosure Statement (PDS) at [bt.com.au](http://bt.com.au) or call BT Customer Relations on 132 135, Monday to Friday 8.30 am to 5.30 pm (Sydney time).

## Performance as at 30 June 2022

For actual performance of your account in BT Super, for the year ended 30 June 2022, please refer to your annual statement. For more recent performance information, you may access this at our website at [bt.com.au](http://bt.com.au) or call BT Customer Relations.

# Financial position of the defined benefit sub-plan and other information

## Financial position and employer contribution level

Your defined benefit in BT Super is calculated using the formula set out in your annual statement. In order to fund your defined benefit, your employer, which is part of the SIMS group of companies (SIMS), makes contributions to the defined benefit section of its sub-plan in BT Super. The amount your employer contributes is agreed between the Trustee and SIMS after considering advice from an RSE actuary.

The Trustee has appointed an RSE actuary to advise the Trustee on the level of employer contributions required to ensure there are sufficient assets in the sub-plan to pay members' defined benefits when they fall due. The RSE actuary projects likely benefit payouts, salary growth of members and investment returns as part of forming its recommendation to the Trustee regarding your employer's contribution level.

Your employer has continued to contribute at the required amount determined by the Trustee during the period.

Due to ongoing investment market volatility during the financial year, the sub-plan fell into an unsatisfactory financial position and subsequently breached its Shortfall Limit<sup>1</sup> with assets estimated to be 90.6% of the vested benefits of members as at 30 June 2022.

As a result, in accordance with superannuation prudential standards, the RSE actuary developed a plan to restore the sub-plan to a satisfactory financial position within three years. This restoration plan was approved by the Trustee Board of Directors in September 2022.

Your employer has also increased its contributions to support the funding of members' defined benefits.

## Concessional contributions cap

Since 1 July 2007, limits or 'caps' apply to the amount a person is able to contribute to superannuation each year on a concessional tax basis. Additional tax applies to contributions in excess of the relevant cap. Contributions made to superannuation by you or on your behalf may count towards either your concessional contributions cap or your non-concessional contributions cap.

Contributions which count towards an individual's concessional contributions cap include compulsory employer contributions such as superannuation guarantee and award contributions, salary sacrifice contributions (pre-tax) and additional employer contributions.

As the sub-plan within BT Super is considered a defined benefit fund, special rules apply to your employer contributions made in respect of your defined benefit. As employer contributions to a defined benefit fund are pooled and are not directly allocated to you, your employer contributions are determined based on a formula defined in legislation. The amount calculated is referred to as your Notional Taxed Contributions (NTC) and counts towards your concessional contribution cap.

You will be liable for the payment of any additional tax. You should note that any excess concessional contributions will also count towards your non-concessional contributions cap.

For more information about contributions caps and excess contributions tax refer to the BT Super Annual Report for the year ended 30 June 2022 – Part 1 on our website at [bt.com.au](http://bt.com.au).

A transitional arrangement exists for those individuals that were members of a defined benefit fund on 5 September 2006. Note that these transitional rules may cease to apply if the Trustee makes changes to its rules.

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1. A Shortfall Limit is the extent to which an RSE licensee considers that a fund can be in an unsatisfactory financial position with the RSE licensee still being able to reasonably expect that, because of corrections to temporary negative market fluctuations in the value of fund assets, the fund can be restored to a satisfactory financial position within one year.



Under the transitional arrangements, if the value of your NTC is calculated to be greater than your concessional contributions cap amount, and you were a member of a defined benefit fund on 5 September 2006, then the amount of your NTC will be deemed to be equal to your concessional cap amount. That is your NTC alone will not cause you to breach your concessional contributions cap.

### Your estimated Notional Taxed Contributions for the year ending 30 June 2023

Each year, BT Super will notify you of your estimated NTC (in advance for the year ahead) on your annual statement, so that you can determine your capacity to make any additional concessional contributions (such as salary sacrifice contributions).

### Information that may change

Where changes to information occur that do not adversely affect you, you may be informed in the next annual report for BT Super.

Such information includes, but is not limited to, changes in:

- investment managers;
- the underlying insurer;
- the investment option (closing or terminating);
- fees.

Where required by law, written notification will be provided giving 30 days notice of the changes.

### Indemnity insurance

The Trustee is indemnified by a policy of insurance in respect of its duties as Trustee of BT Super.

### Superannuation surcharge

The superannuation surcharge, including the termination payments surcharge, has been abolished for contributions and termination payments made or received on or after 1 July 2005. The superannuation surcharge may still apply for contributions and termination payments made prior to 1 July 2005.



For more information

[bt.com.au](http://bt.com.au)

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[bt.com.au/contact-us](http://bt.com.au/contact-us)

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