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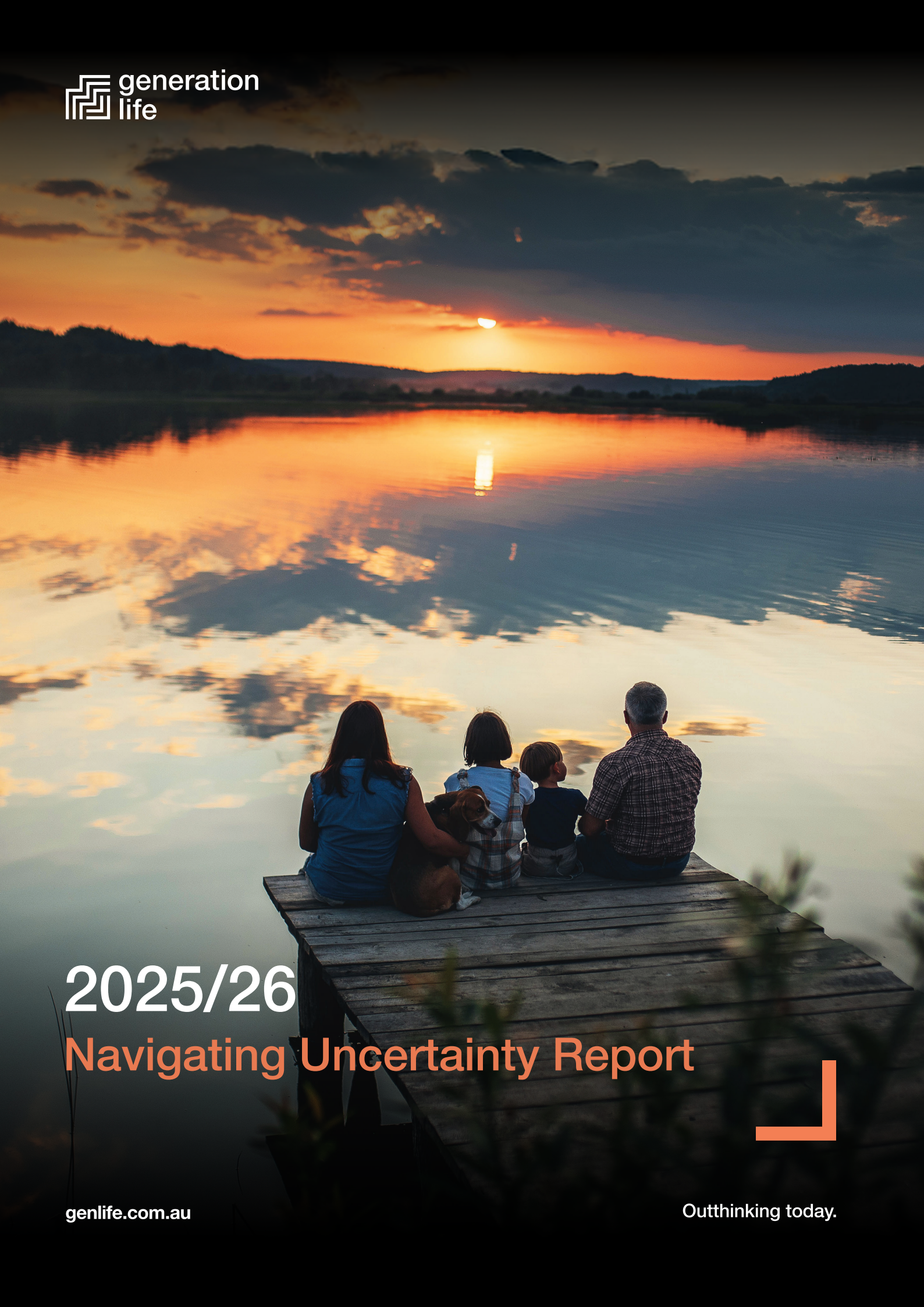


2025/26
Navigating Uncertainty Report

genlife.com.au

Outthinking today.



CEO foreword

A world-class system - in need of greater certainty



Felipe Araujo
Chief Executive Officer at Generation Life

Australia's retirement system is rightly regarded as one of the strongest in the world.[1] Compulsory superannuation, deep and mature investment markets and strong prudential oversight have enabled Australians to accumulate significant retirement savings. Yet confidence in retirement outcomes is shaped not only by system strength, but by the stability and clarity of the rules that govern it.

Over the past three decades, superannuation rules have changed frequently, often within short political cycles. For Australians planning across decades, particularly high-net-worth households managing retirements, succession and intergenerational decisions, this is now influencing behaviours, affecting superannuation and investment contribution decisions, risk appetites and long-term wealth planning.

Our 2025/26 Navigating Uncertainty Report, conducted by CoreData, uncovered clear evidence of this shift. While trust in the overall retirement framework remains high, confidence in the predictability of the rules has weakened. At the same time, expectations of financial advice are evolving. Beyond returns and fees, Australians increasingly value clarity, reassurance and confidence, the foundations that allow long-term planning to continue in a changing environment.

For financial advisers, this has elevated the critical role of financial advice. In many respects, advisers are emerging as "Chief Interpretation Officers" – navigating complexity on behalf of clients by translating evolving rules into clear, actionable steps that guide informed decisions. As this report makes clear, confidence has become a practical output of good advice. It is what enables clients to remain committed to their strategy, avoid over-reactive decision-making and act in their best interests, even as retirement rules and tax reform settings evolve.

At Generation Life, we believe confidence is foundational for effective retirement and intergenerational planning. It is built through clear communication, disciplined advice processes and resilient structures aimed to provide stability amid inevitable policy flux. In a system designed for long-term outcomes, yet influenced by shorter political and reform cycles, clarity of structure and consistency of intent matter more than ever.

We are proud to contribute this report to Australia's retirement conversation and to support financial advisers and their clients as they navigate an increasingly complex reform environment. Because in a world defined by ongoing change, for many Australians, there is nothing more certain than the value of greater certainty.

Warm regards,



Felipe Araujo

Chief Executive Officer
Generation Life

Executive Summary

Australia's superannuation system: world class, but operating in an environment of constant change

Australia's $4.5 trillion superannuation system[2] remains one of the strongest retirement savings frameworks globally.[3] Yet for high-net-worth (HNW) Australians, confidence is increasingly being tested – not by the system's fundamentals, but by the pace and unpredictability of the rules that govern it. This pressure is rising at a time when retirement decisions are likely becoming more visible, more complex and more consequential.

Our research points to a structural fault line: a retirement system built for long-term horizons, yet repeatedly shaped by policy measures introduced across successive election cycles. That tension is now influencing investor behaviour, re-shaping planning assumptions, and raising the premium on advice capable of interpreting and managing policy risk.[4]

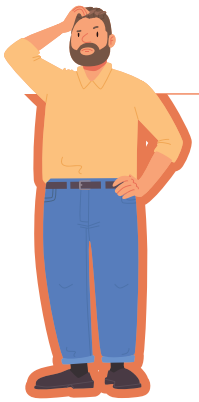
In turn, many HNWs are rethinking what retirement security means - and what they can reasonably expect from the system designed to support it.

Key findings at a glance



84%

of Australians say Australia has one of the best retirement systems globally



66%

say superannuation rules change too often and are hard to follow



69%

feel less confident about retiring comfortably than they did in 2022



13%

have reduced or stopped super contributions in the past 12 months



96%

of advisers say clients have raised superannuation in the past year



Confidence

is now the No.1 value HNW Australians seek from financial advice

A strong system, but trust in the rules is eroding

HNW Australians overwhelmingly back the system itself, yet express growing fatigue with its evolving political framework, with many describing ongoing super reforms as “legislative churn”.

From the 2006–07 the $1million transitional contribution window to the Division 296 tax reforms, rule changes have repeatedly reset incentives, thresholds and tax treatment – reshaping investor priorities and weakening the long term predictability of the super rule playbook.

Even financially resilient households are feeling the strain:



71%

say they were more confident about their long term financial security three years ago

Division 296: A case study in policy volatility

The recently passed tax on earnings on super balances above $3 million[5] has emerged as a focal point in adviser conversations - well before the final form. In many respects, it crystallised a broader trust issue: the effects of policy change felt at the point of debate, not commencement.

The research shows that rule uncertainty alone is already shaping HNW investment decisions:



Over one third

who reduced or stopped super contributions did so due to tax changes



63%

are taking less investment risk than in 2022



Awareness

is high among advised clients, but just 39% of non-advised HNW Australians understand Division 296

The implication is a wide advice divide. Investors with access to interpretive support may be better positioned to absorb, interpret and act appropriately on policy risks. Those without it may be more likely to default to caution - reinforcing conservative behaviours and increasing long-term planning risks.

Financial Advisers: Now "Chief Interpretation Officers"

This emerging advice divide reflects a material change in the role financial advisers now play. As policy settings have become more fluid, advisers have assumed an interpretive role - translating evolving superannuation, retirement and tax rules into practical, forward-looking recommendations for HNW clients to adopt.

The result is evident in the ordering of advice priorities; superannuation, retirement sequencing and tax strategies are commanding more attention than estate planning as the primary reasons clients engage financial advisers.

This is occurring even as Australia approaches an estimated $5.4 trillion intergenerational wealth transfer[6], pointing to the growing influence of policy complexity in shaping the hierarchy of client concerns within the broader retirement landscape.

Advisers also report:

- Retirement planning has become much more challenging than three years ago, driven in large part by the need to structure long-term strategies around evolving legislative settings. Notably, while most advisers expected legislative change to negatively affect HNW investors broadly, far fewer expect the same impact on their own clients – reflecting confidence in their ability to interpret change, adapt structures and preserve planning momentum.

A shift in values: Clarity, reassurance and confidence

As financial advice becomes more interpretive, HNW Australians are assessing what they value most in an advisory relationship.

Returns, fees and asset allocation remain relevant, but they are not the full story. Equally important is the role advice plays in:

1. Simplifying complex decisions
2. Providing reassurance under changing rules
3. Sustaining confidence in long-term planning

These values may reflect the practical responses to ongoing change. Clarity can enable households to translate complexity into decisions that fit their circumstances; reassurance can boost trust that plans are structured to respond to changes in markets and policy; and confidence can empower investors to commit to long-term strategies even as settings evolve.

In this context, confidence has emerged as a functional outcome of advice rather than a by-product. Advised clients report materially higher satisfaction with their personal or financial situation (86% versus 55%) and are more likely to view retirement as "very achievable" (67% versus 53%).

As one adviser notes:

> "Clarity creates calm. If you're proactive and transparent, people don't panic when rules change."



Michael Bova
Managing Director | Family Wealth Advisory

The search for stability: Why investment structures matter

Frequent policy iteration is pushing advisers to diversify not just investments, but investment vehicles. This report brings to light the benefits investment bonds can offer as a complement or alternative to superannuation, especially for HNW households navigating tax, estate planning and intergenerational wealth transfers. Investment bonds can offer:

- Predictable, capped tax rules
- Estate planning flexibility
- Fewer triggers for taxable events[7]
- Strategic fit for clients constrained by super caps

As **Generation Life's CEO Felipe Araujo** notes:

> "Enhanced certainty of the laws that apply due to a lot less frequent reforms, is fundamental to long-term retirement planning, and advisers play a critical role in translating policy shifts into the right complementary or other structures for their clients."



About this research

The 2025/26 Navigating Uncertainty Report was commissioned by Generation Life and conducted by CoreData to explore how ongoing superannuation policy and legislative reforms are influencing retirement planning for High-Net-Worth (HNW) Australians[8] and their financial advisers.

The quantitative findings are based on a national online survey conducted by CoreData in October and November 2025 when a form of Division 296 superannuation tax was proposed, comprising responses from:

- 650 high-net-worth Australians
- 354 financial advisers

To complement the quantitative findings, in-depth qualitative interviews were conducted with six financial advisers based across Australia.

The research focused specifically on HNW households, reflecting the broader scope of retirement planning considerations for this cohort, including income sustainability, succession planning, legacy objectives and intergenerational wealth transfer.

Survey responses examined retirement objectives, confidence levels, planning behaviours, and the impact of policy and legislative changes on financial decision-making and engagement with financial advice.

Introduction: Constant change around a world class savings system

Australia's retirement system is widely regarded as world-class. Compulsory superannuation, mature institutional investment systems, taxation incentives and strong prudential settings have delivered participation and capital formation unmatched by most OECD peers.[9]

Yet the rules that govern our $4.5 trillion superannuation system[10] have not stood still. From the introduction of the compulsory Superannuation Guarantee in the early 1990s, successive federal governments have adjusted contribution incentives, tax settings and thresholds in response to changing economic, demographic and fiscal priorities.

The framework has endured; the settings around it have constantly shifted. Our latest data shows clients place great weight on clarity and reassurance, not as substitutes for fund performance, but as conditions that allow confident retirement planning throughout evolving government policy cycles.

This heightened sensitivity to rule changes is also unfolding against a broader backdrop of global geopolitical tensions, market volatility and high cost-of-living pressures. Together, these forces appear to have made long-term planning feel more fragile – increasing the premium households place on clarity around superannuation and tax environments.

Today's retirees and pre-retirees (particularly those with higher balances and more complex household objectives) face a structural juxtaposition: a retirement savings system designed to operate over decades and policy settings that can shift within much shorter government reform cycles.

Think back to the $1 million transitional contribution window introduced by the Howard government in 2006–07, which actively encouraged Australians to move substantial wealth into superannuation under highly concessional tax settings. Compare that with the Division 296 reforms, which will apply additional tax to earnings on superannuation balances exceeding the $3 million and $10 million thresholds, reducing the concessional treatment previously afforded to higher-balance accounts.

This reflects a clear shift in policy direction - from encouraging Australians to build significant retirement savings within superannuation to introducing measures that limit the tax advantages applied to those same balances. For long-term savers, it reinforces that the policy settings governing retirement savings can evolve materially over time, underscoring the importance of planning with structural flexibility and certainty in mind.

This is particularly relevant given retirement planning often spans decades and extends beyond superannuation alone. For many Australians - particularly those with complex financial affairs - it intersects with broader considerations including separate taxation measures, family and business succession, and intergenerational wealth transfer.

The purpose of this research is to therefore identify how HNW Australians are responding to this heightened environment of change and uncertainty. It considers whether reform risk – or so-called "legislative churn" – is influencing confidence, planning horizons and decision-making, and explores the interpretive role financial advisers now play in guiding clients through an evolving regulatory landscape, including the values HNW Australians prioritise when engaging with advice.

Key findings: A strong system, in flux

System strength

84%

of Australians say Australia has one of the best retirement systems globally

Rule instability

66%

say superannuation rules change too often and are hard to follow

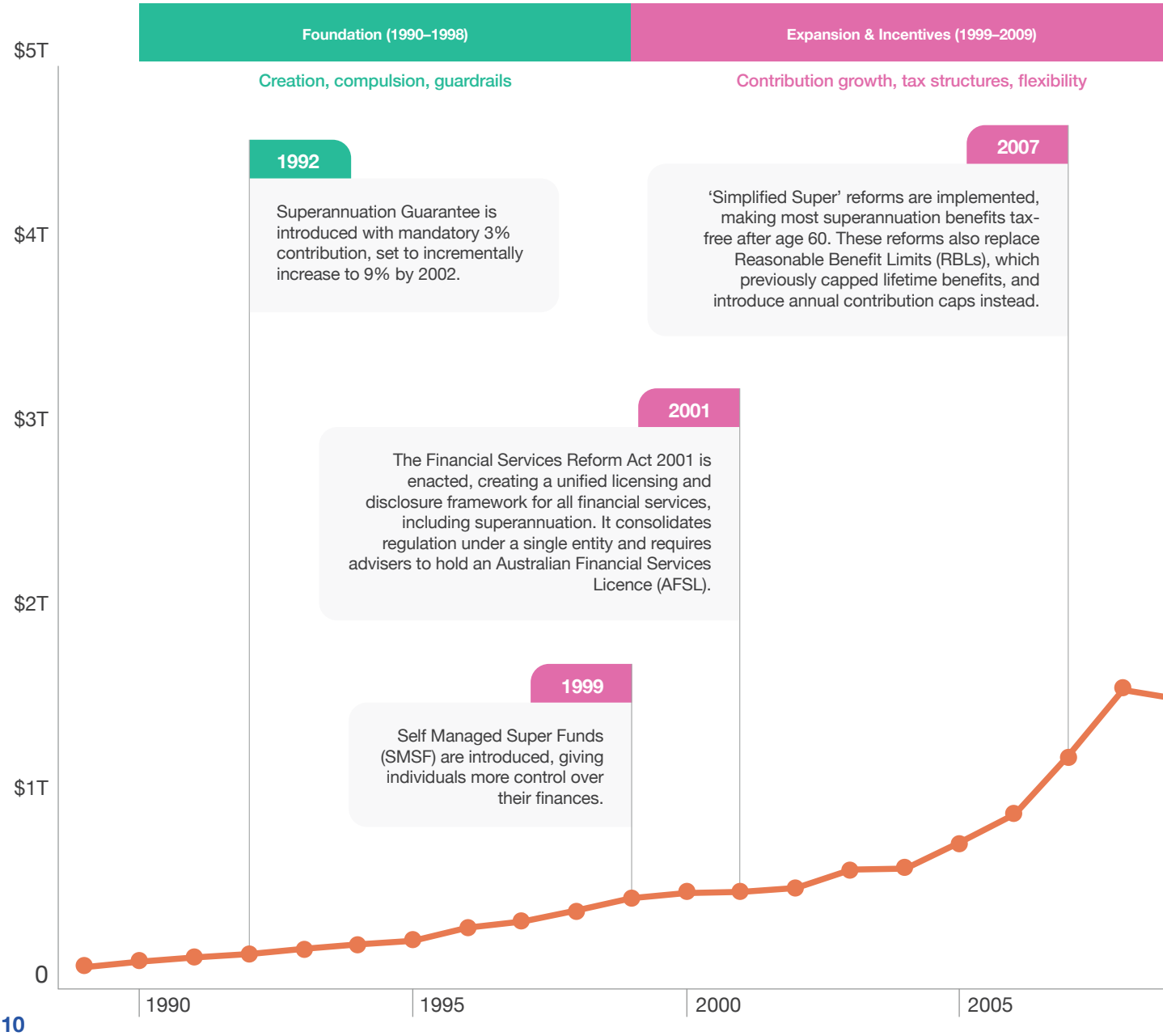
Confidence erosion

69%

feel less confident about retiring comfortably than they did in 2022

Australians have seen 85+ policy changes to superannuation since inception*

Superannuation in Australia : A timeline



CORE|DATA

Behaviour shift

Over one third

of those who reduced contributions did so due to tax policy changes

Adviser demand

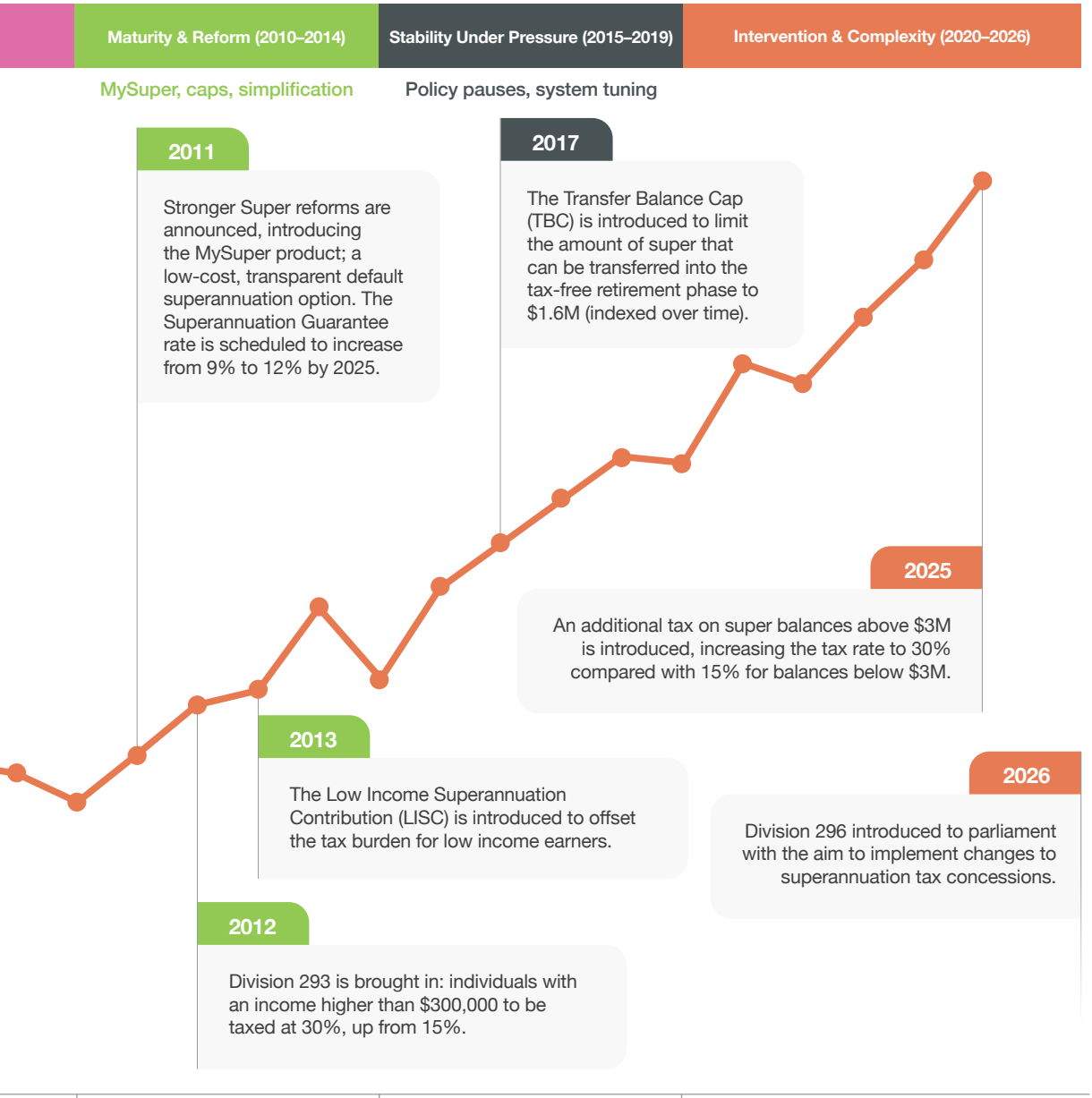
96%

of advisers say clients have raised superannuation in the past 12 months

Value redefined

Confidence

is the main priority shared by HNW Australians and advisers



Source: CoreData, February 2026

*Please refer to the appendix for the detailed list of changes to super since inception.

01

We are ‘world-class’ within a changing rules environment

A leading retirement system navigating evolving rules





Australia's retirement system has evolved into one of the strongest accumulation frameworks globally. Compulsory superannuation, institutional management and robust prudential settings have delivered participation and capital formation rivalling OECD peers.

Confidence in the framework, however, is shaped not only by system design but by the stability and clarity of the rules that govern it and its participants. Over time, amendments to contributions, access and taxation settings have made retirement planning more visible and increasingly reliant on interpretation. This dynamic is evident in the recent Division 296 reforms.

When policy adjustments occur within a system engineered for multi-decade planning horizons, they can introduce a degree of uncertainty that complicates long-term decision-making, even where the underlying framework remains strong.

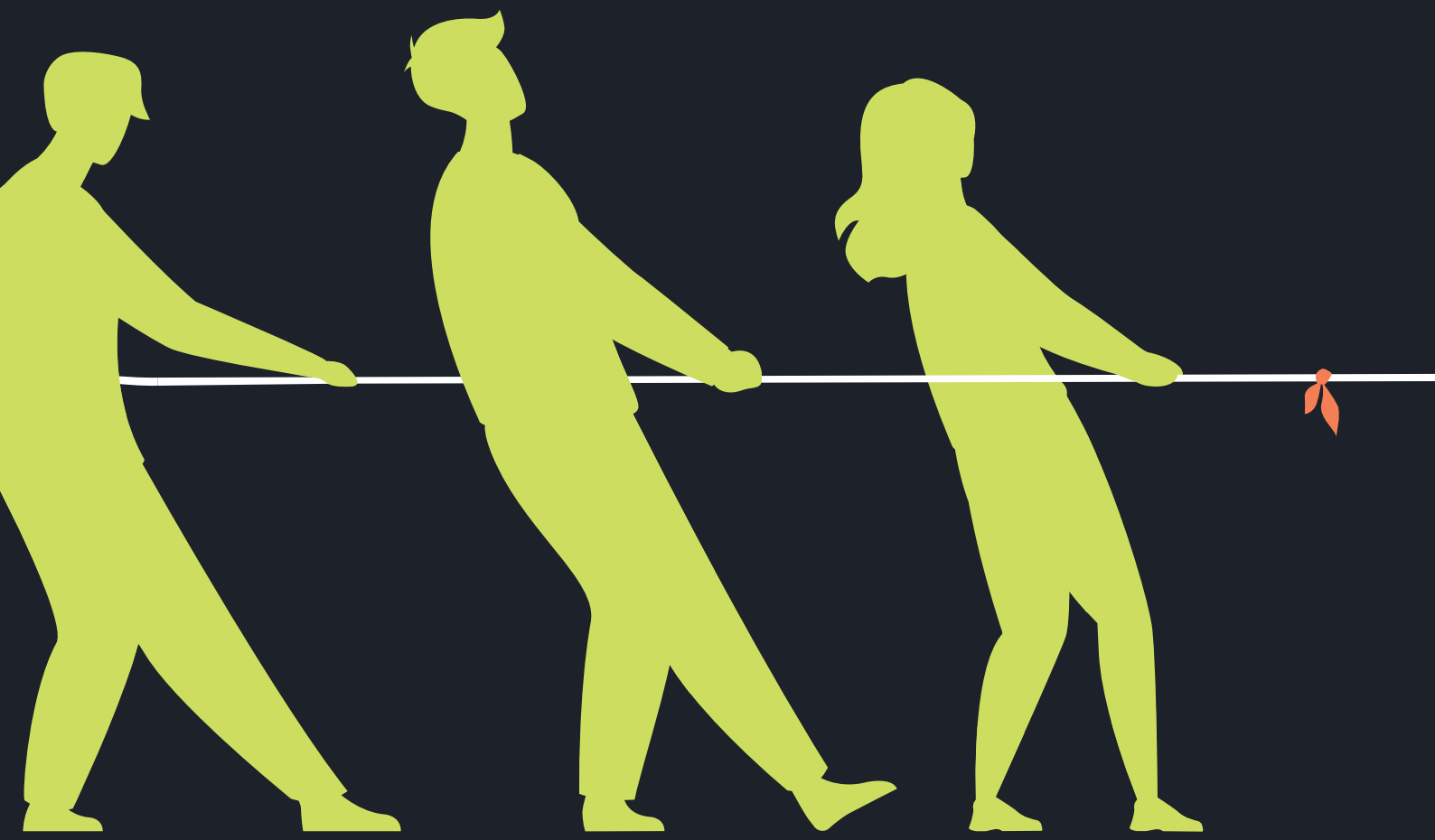
The research shows that HNW Australians recognise this distinction. Support for the system remains high:

84%

say Australia has one of the best retirement systems in the world

86%

believe it delivers better retirement outcomes



Yet, confidence in the stability and clarity of the rules surrounding retirement is significantly lower:

66%

say the **rules change too often** and are **hard to follow**

63%

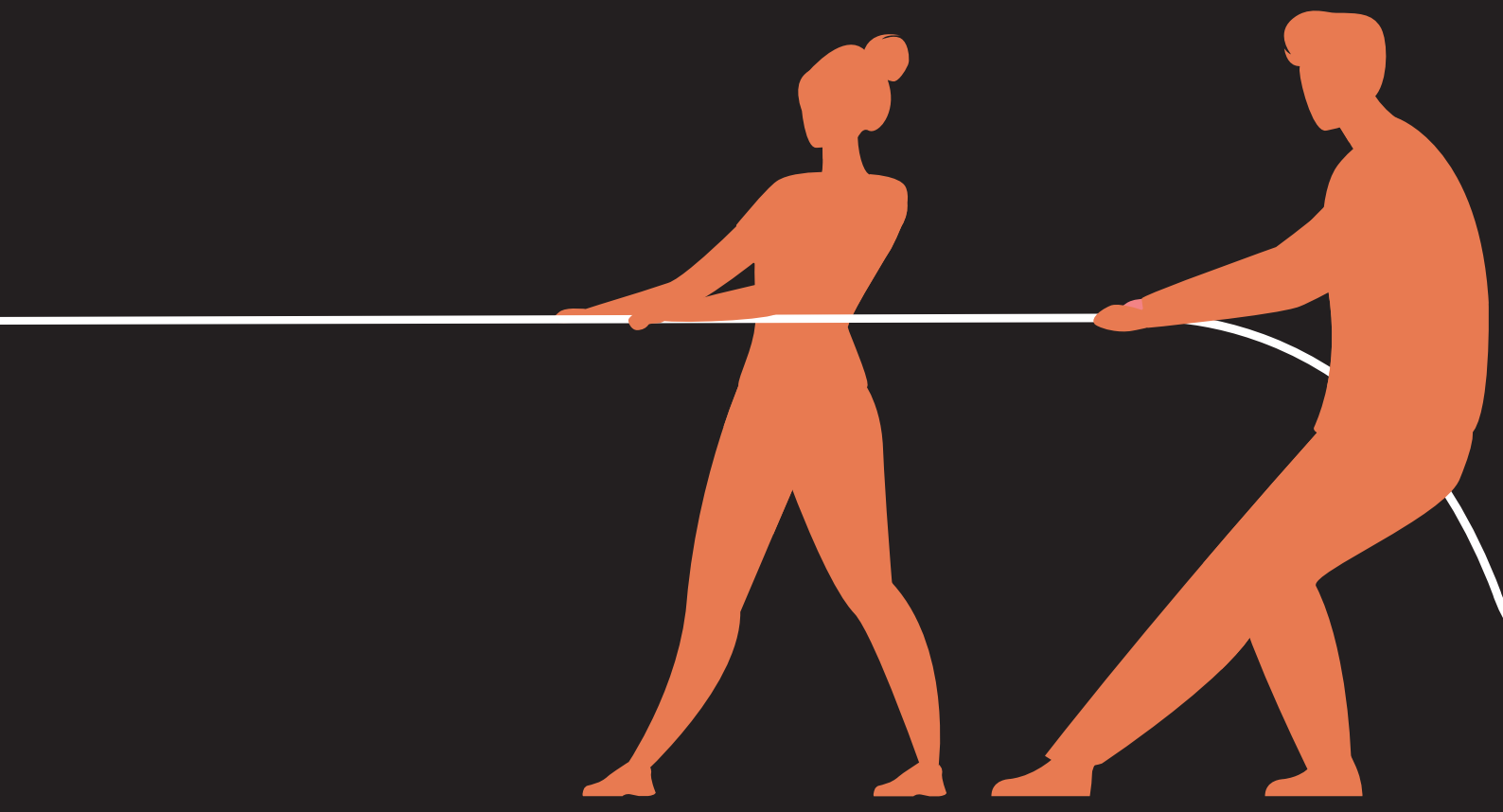
believe the **system is flawed** in the way **long-term savings are taxed**

61%

are **not confident** the system will **build and protect long-term savings**

Financial advisers report a similar pattern. Nearly three in five advisers say that rules are continually shifting and hard for clients to follow - suggesting that the dominant challenges arise not from the system itself, but from the changing nature of the policy settings that shape it.

A strong accumulation system operating within an evolving rules environment introduces planning complexity - and this complexity is influencing how households assess their retirement outlook.



02

HNW Australians: financially resilient, but less confident

Financially strong, but less certain about retirement

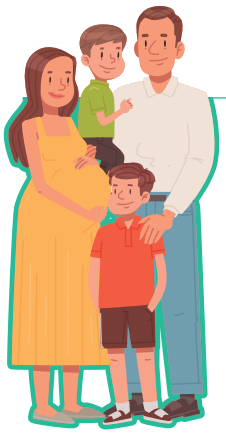




HNW Australians are feeling financially resilient, yet their confidence in long-term retirement outcomes has softened.

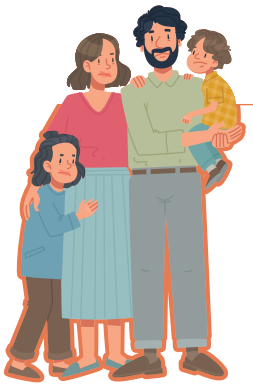
More than half believe the “average Australian” is under pressure (52%), while only 39% feel personally under pressure - reflecting stronger balance sheets, diversified income and greater capacity to absorb shocks.

However, resilience today has not translated into greater certainty about tomorrow. The data points to a gradual decline in long-term confidence:



71%

say they were more confident about their long-term financial security three years ago



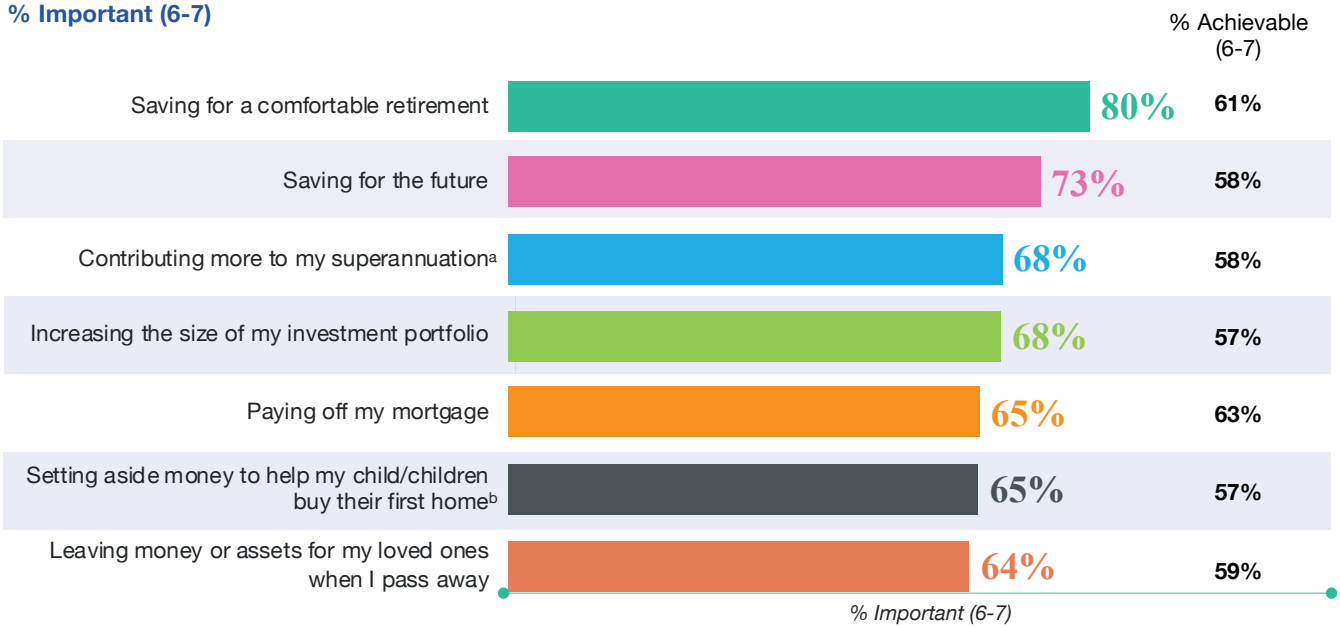
69%

say they are now less confident about retiring comfortably than they were in 2022

A comfortable retirement remains the dominant financial objective, with 80% ranking “saving for a comfortable retirement” as their top priority, and over two thirds of respondents (68%) nominating higher super contributions. Yet conviction is subdued: only around half feel strongly confident they will accumulate enough to achieve that goal.

Financial goals

% Important (6-7)

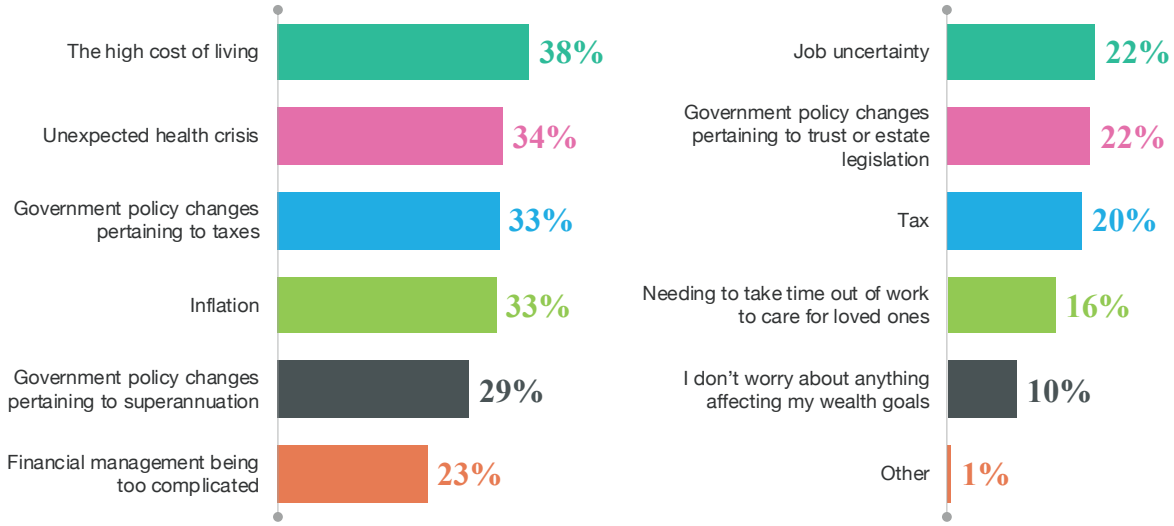


Base:Overall n = 650; a Not fully retired n = 603; b Have children n = 559.

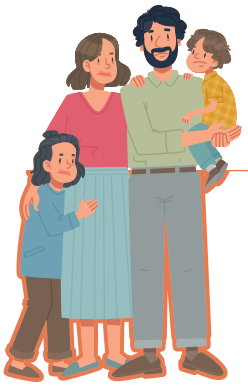
Drivers of confidence erosion

When asked about barriers to achieving those long-term financial goals, HNW Australians point first to high cost-of-living pressures (38%) and unexpected health events (34%). Structural factors follow closely, with almost one third (29%) citing changes to superannuation settings. Together, these responses suggest that both economic strain and shifting rules are influencing perceptions of financial security and planning stability.

Barriers to achieving wealth goals



This financial pressure is most pronounced among mid-life Australians aged 30–49, who typically sit at the lifecycle intersection of mortgages, raising families, charting career progression and thinking about longer retirement horizons:



45%

feel personally under pressure, compared to 34% across other age brackets

Closer to retirement, that strain manifests less as day-to-day pressure and more as sensitivity to rule changes. Among respondents aged 60 and over, 43% express concern about government policy changes to super – the highest proportion of any age cohort. At this stage of life, adjustments to contribution caps, tax settings or access rules can carry more immediate and less reversible implications for projected retirement income. As a result, policy uncertainty may intensify perceived pressure, even among financially resilient households, by narrowing the margin for strategic adjustment as retirement approaches.

The findings therefore reveal a paradox: the majority of HNW Australians view increased super contributions as a key priority - a reflection of strong belief in the system as a primary retirement savings vehicle, despite faltering confidence in the stability of the rules that shape it.

03

Policy volatility and Division 296: from debate to behaviour

When policy debate starts influencing retirement behaviour





Australians are now placing far greater weight on how superannuation rule changes influence their near-term decisions - a notable shift from 2024, when inflation dominated household concerns. This is reflected in movement across the HNW population, with contribution patterns and advice interactions increasingly shaped by this policy environment.

Throughout the evolution of the Division 296 taxation policy, its uncertain nature saw investors, financial advisers and SMSF trustees pay closer attention to contribution and planning settings. Data for this research was collected in October and November 2025 and captured this period of heightened scrutiny, as key design elements were still being debated and before any legislation had been finalised.

Originally introduced in 2023 under the Better Target Superannuation Concessions policy, the initial design proposed taxing both realised and unrealised gains, with no indexation of the value of super balance thresholds.

Since then, the mechanism has been revised and the legislation to implement Division 296 has now passed both Houses of Parliament. While this represents a significant step toward formalisation, detailed questions regarding calculation methodology, administrative implementation, and long-term operation remain areas of active industry focus ahead of the date it will begin on 1 July 2026.

Against this backdrop, the research shows signs of anticipatory behaviour:



13%

say they have reduced or stopped contributions in the past 12 months

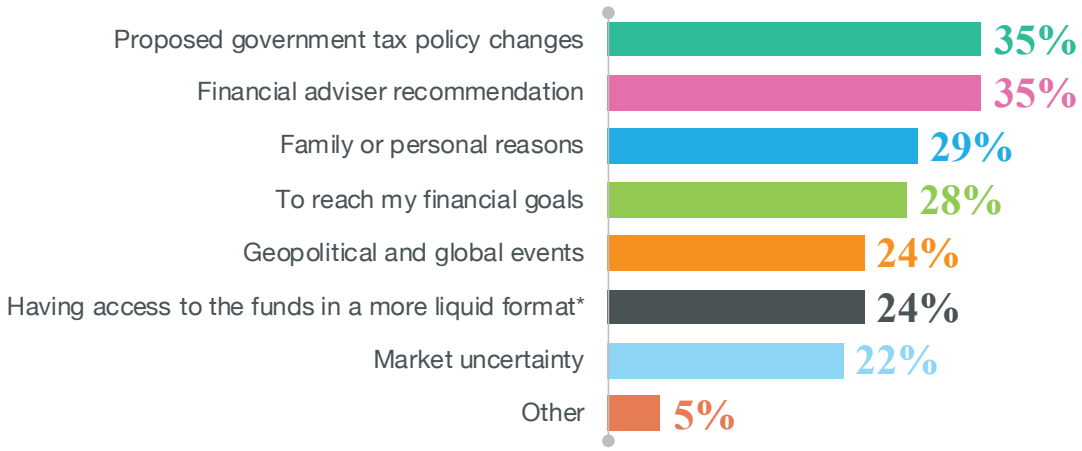
among them, 35%

cite proposed tax policy changes as a key reason

and 35%

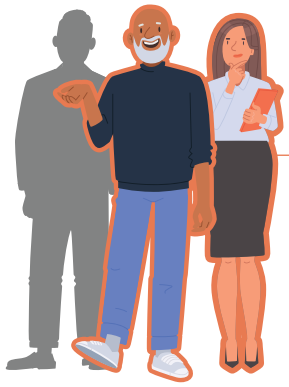
acted following adviser guidance

Reason for change



*Only asked among those who decreased or stopped their super investment

Portfolio settings are also shifting:



Nearly two-thirds (63%)

say they are now taking less investment risk than in 2022

This response to the Division 296 policy illustrates how planning decisions can adjust early, highlighting the sensitivity of retirement strategies to prospective rule changes. As policy settings continue to evolve, and market volatility impacts investors' confidence, the ability to interpret, contextualise and sequence decisions over time is becoming an increasingly important part of the adviser-client relationship.

As **Tony Kofkin, Financial Adviser at Kofkin Bond**, observed:

> "Division 296 was frustrating, but it also opened up opportunities to show foresight - to get in front of clients, anticipate and act."



Tony Kofkin
Financial Adviser | Kofkin Bond



04

Advisers as interpreters of complexity

Guidance in a shifting super and tax landscape





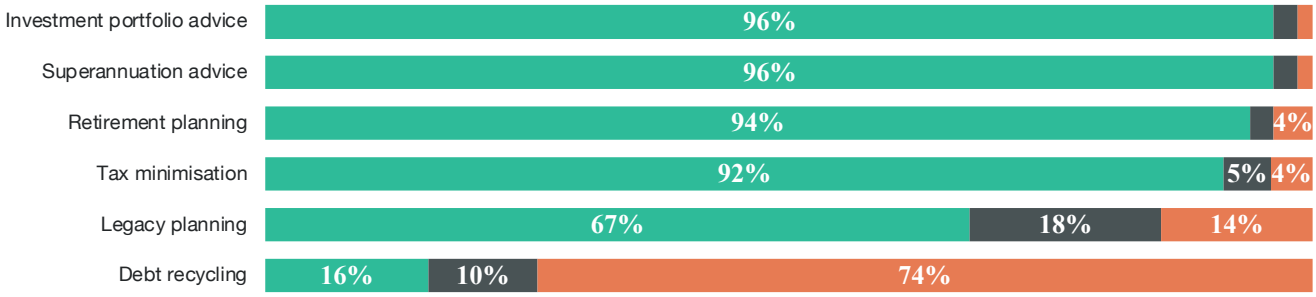
In this environment, financial advice has adopted an interpretive function, with greater emphasis on translating proposed and evolving settings into practical decisions regarding superannuation, retirement sequencing, and tax strategy.

Incoming Division 296 is a focal point in client conversations

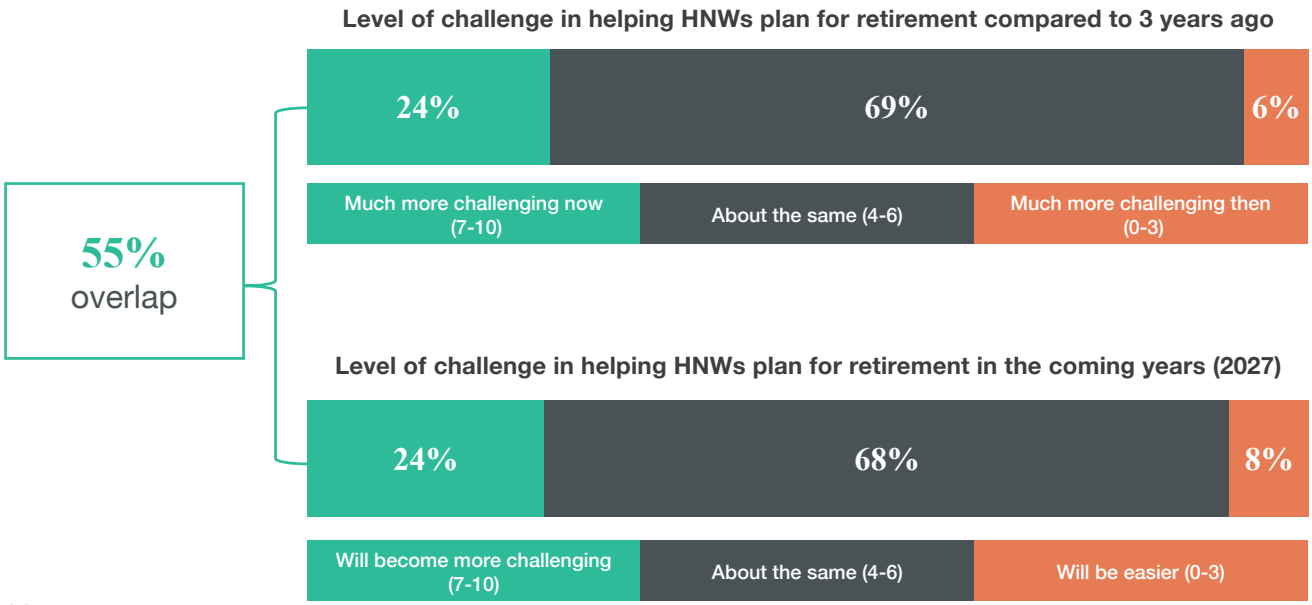
Client conversations in the last 12 months reflect this shift, led by discussions on superannuation (96%), retirement planning (94%), and tax minimisation (92%).

Division 296 changes feature prominently in these interactions. Around three-quarters of financial advisers' report speaking to most or all clients about taxation reforms, with conversations centred on rule interpretations, ongoing changes, and implications for sequencing and long-term planning.

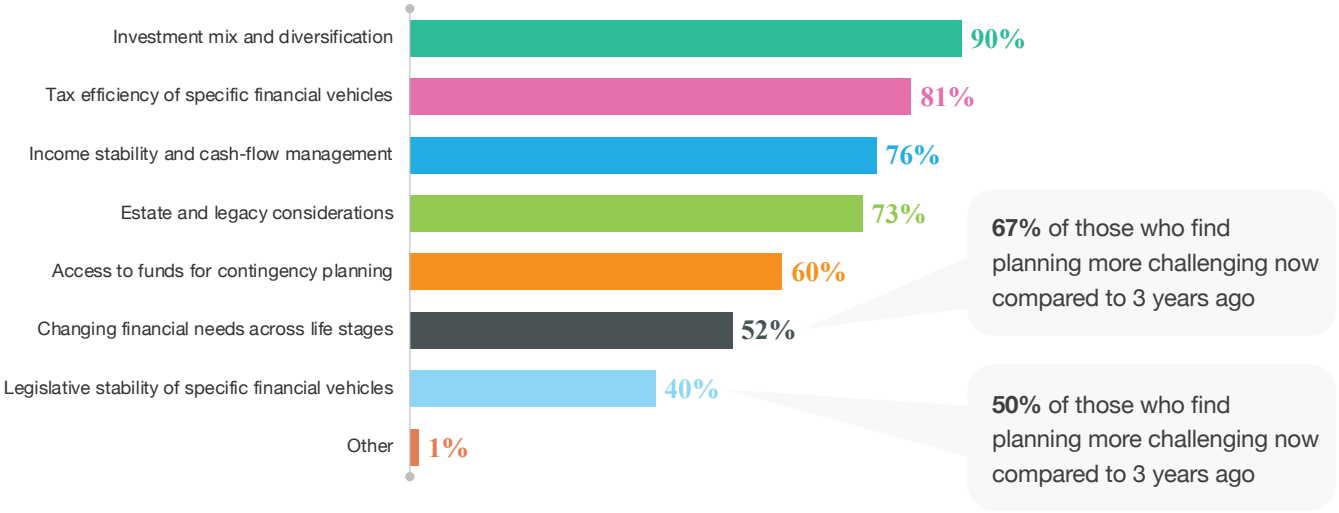
Notably, understanding superannuation and tax legislation has emerged as one of the highest drivers for advice engagement - ahead of traditional drivers such as legacy planning. This suggests the advice agenda is being shaped not because goals have changed, but because clients are seeking clearer direction on the rules that frame their financial priorities - even as Australia enters the largest intergenerational wealth transfer period in its history, with transfers estimated at $5.4 trillion.[6]



The impact on planning is twofold. First, superannuation, retirement and tax strategy are now central to client conversations. Second, planning is becoming more complex. Almost one in four financial advisers say retirement planning for HNW clients is more difficult than it was three years ago, and a similar share say they expect it to become even more challenging in the future. Of those who feel this increased difficulty, one in four say they lack confidence in the superannuation system's ability to support their clients' retirement savings. Many also point to legislative stability across financial vehicles as a critical factor when planning for retirement.



Considerations in building a retirement portfolio for HNWs



As a result, retirement strategies are diversifying across policy and tax structures as well as capital markets. Superannuation and SMSFs remain foundational, supported by managed funds, ETFs, and other long-term vehicles. However, the optimisation frontier also encompasses tax efficiency, certainty of outcomes, legislative stability and cash-flow management. These are the important strategy levers financial advisers are increasingly relied upon to interpret.

> “Diversifying tax structures is your shield against government or legislative change.”



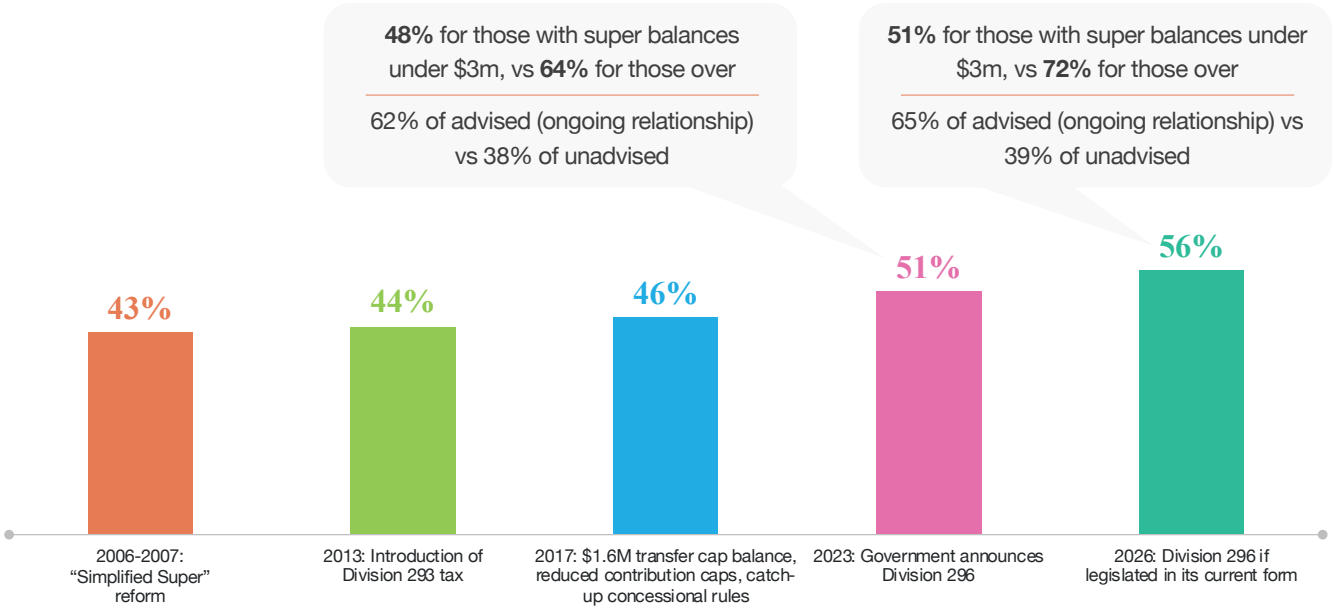
Troy Chapman
Financial Adviser | Country Wide Wealth

Familiarity linked to advice

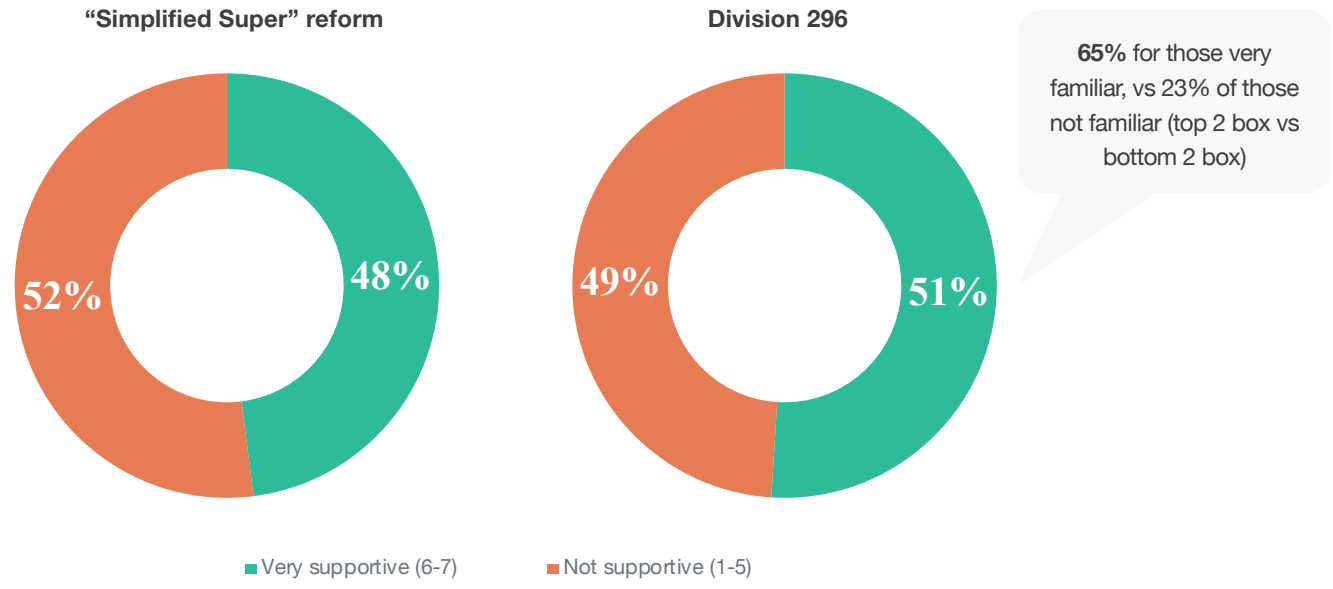
This interpretive role is reflected in how clients understand and respond to policy change. Nearly two-thirds of advised clients state they are familiar with the Division 296 changes; importantly, familiarity is associated with a more positive outlook, reinforcing the role of financial advice in helping clients navigate periods of legislative uncertainty.

By contrast, understanding remains uneven across the broader HNW population. While contribution and risk settings are already shifting, 44% of HNW Australians say they are not familiar with the policy. Awareness falls to just 39% among those without an adviser, highlighting a widening divergence in how emerging rules are interpreted and understood.

Familiarity with changes to the superannuation system
% Strongly agree (6-7)



Level of support for changes



For their part, financial advisers remain pragmatic about the broader environment: 72% believe HNW investors in general will be negatively affected by legislative changes, yet only 21% believe their own clients will be - reflecting confidence in their ability to adapt structures and strategies over time.

Looking ahead, both HNW Australians and financial advisers expect superannuation legislation to continue to evolve. Positively, the evidence suggests financial advisers are becoming the 'trusted anchor' that helps clients make sense of change and maintain certainty in a shifting landscape.

> "When clients see you calm during chaos, they borrow that calm. That's trust in action."



Michael Williams
Financial Adviser | The Hopkins Group



05

The values of advice: clarity, confidence and reassurance

Why advice value is measured beyond returns





This evolving role of financial advisers as interpreters of complexity – effectively acting as CIOs (chief interpretation officers) – reflects how HNW Australians now define the value of financial advice. Returns, fees and asset allocation remain important, but they are not the full story. Clarity, reassurance and confidence form core components of the advice relationship, helping clients better understand changing rules, maintain long-term direction, and feel in control of their financial future.

Clear understanding

Clarity is central to this responsibility. With superannuation and retirement rules more visible in public debate, clients place high value on translating complexity into decisions that are relevant to household circumstances. As **Michael Bova, Managing Director, Family Wealth Advisory** puts it

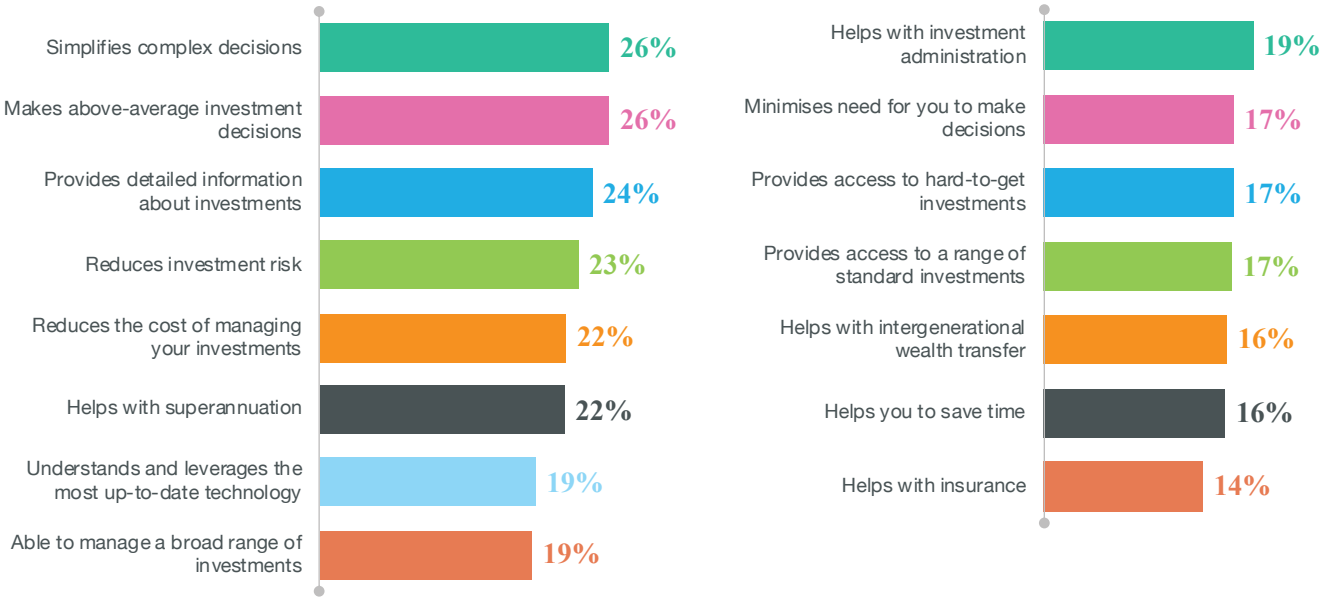
> “Clarity creates calm. If you’re proactive and transparent, people don’t panic when rules change.”



Michael Bova
Managing Director | Family Wealth Advisory

Superannuation expertise reinforces this role, with HNW Australians ranking “simplifying complex decisions” and “helping with superannuation” among the top functions advisers provide.

Adviser value: Functional
% Ranked 1-3



Reassurance

Reassurance also features in the hierarchy of expectations. Clients are seeking confidence that their plans can withstand future change - not only market volatility but also shifts in policy settings over time.

This is evident in how advisers respond when uncertainty emerges. Engagement is increasingly immediate and proactive, particularly when changes have the potential to alter long-term outcomes.

> “Silence is the enemy of confidence. When something like Division 296 comes up, we’re straight on the phone.”



Les McGuire
Financial Adviser | Future Proof Wealth

Alongside responsiveness, the architecture of advice is critical. Structure serves as a marker of resilience, with strategies that distribute ownership, control and tax treatment across different vehicles reducing reliance on any single regime and providing predictability across accumulation, retirement and succession.

These expectations reflect two emerging preferences: durability over time, and protection of family outcomes even if rules evolve.

> “You can’t shortcut trust, but you can structure for it, with process, with transparency, and with education.”



Troy Chapman
Financial Adviser | Country Wide Wealth

Confidence - the key ingredient in times of uncertainty

Confidence sits at the intersection of these values and reflects how clarity and reassurance can translate into lived outcomes for clients.

> “The number one thing clients care about is not fees, not performance, not tax. It’s whether or not you will act in their best interest. We put ‘acting in your best interests’ on every piece of communication before they even walk in the door.”

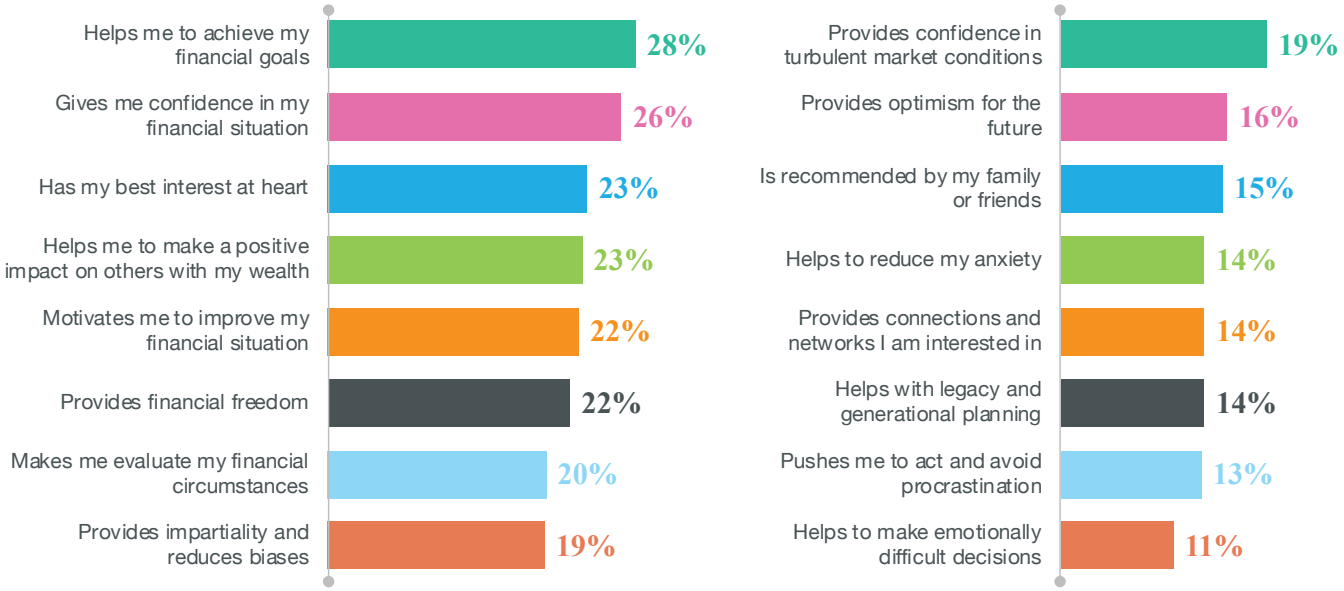


Troy Chapman
Financial Adviser | Country Wide Wealth

This perspective is mirrored in how both advisers and HNW Australians define successful advice outcomes, with the top three being:

- achieving financial goals
- confidence in one's financial situation; and
- knowing that advice is being provided in the client's best interests.

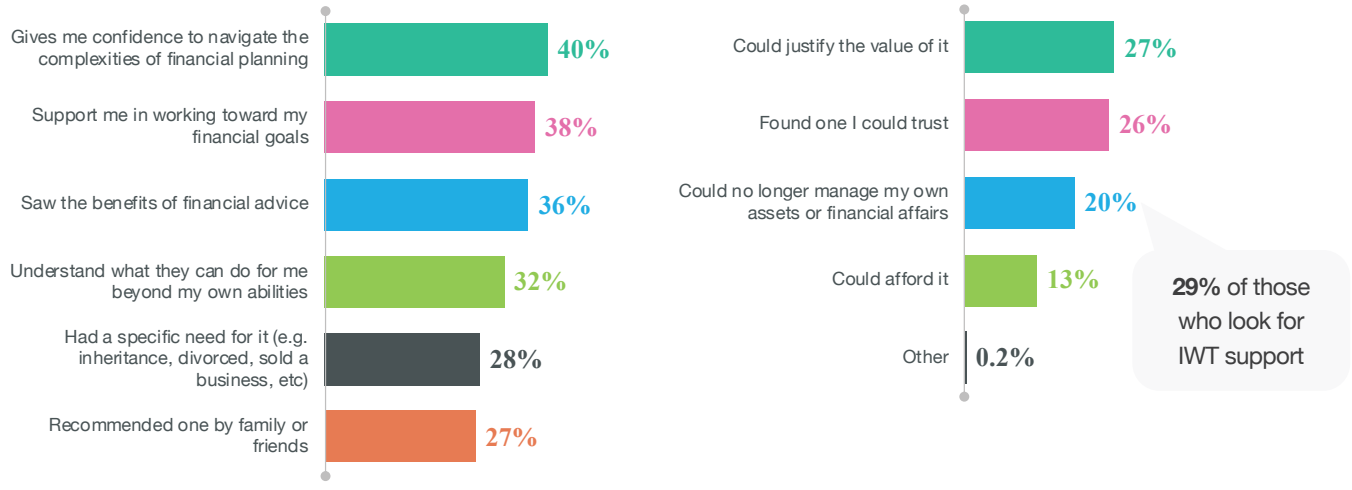
Adviser value: High order
% Ranked 1-3



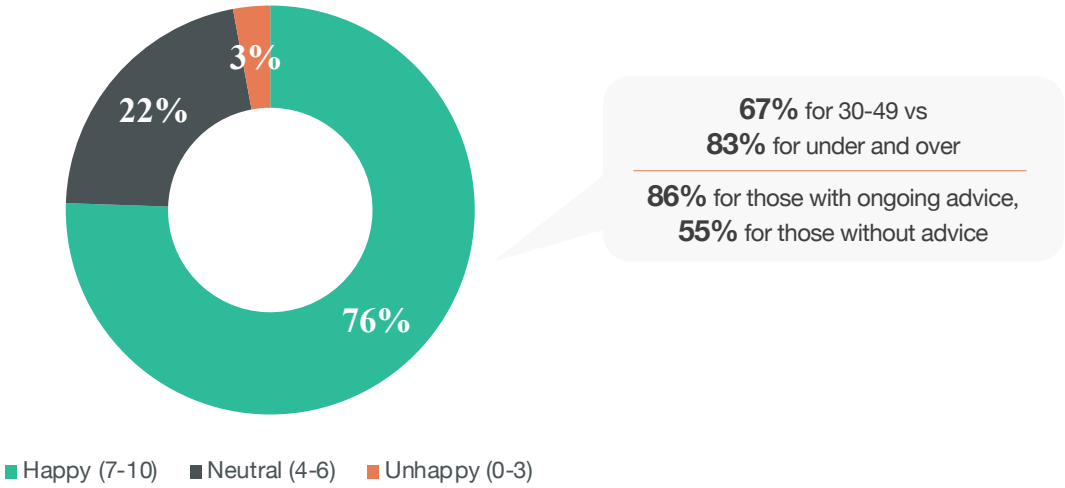
These same criteria also influence why clients choose to engage a financial adviser, led by confidence to navigate financial complexity (40%) and support in working towards long-term goals (38%).

The role of confidence is further evident in outcomes: advised clients report higher satisfaction with their financial situation (86% vs 55%) and are more likely to view retirement as "very achievable" (67% vs 53%).

Reasons for using a financial adviser



Happiness with personal situation



67% for 30-49 vs
83% for under and over

86% for those with ongoing advice,
55% for those without advice

Confidence therefore stands as a clear functional output of financial advice. When confidence is present, clients can commit to retirement strategies, absorb periods of uncertainty and maintain sequencing decisions even as rules evolve. In this sense, the role of advice has shifted from optimising performance to help support the continuity of planning across longer horizons.



06

Implications: navigating uncertainty and the search for stability

Where structure supports stability





Australia's retirement income system remains structurally robust. Compulsory superannuation, institutional management and prudent oversight continue to underpin one of the strongest accumulation frameworks globally. Yet this research highlights a clear distinction: while the architecture of the system is respected, confidence in the consistency of its rules has softened.

For HNW Australians navigating retirement, succession and intergenerational horizons, that distinction is consequential. Retirement remains the dominant financial objective, but confidence in achieving it has declined. Behaviour is adjusting in response. Some investors report moderating contributions or recalibrating risk exposure amid sustained policy debate. Mid-life cohorts - balancing long horizons with immediate financial demands - appear particularly sensitive to this environment.

In this context, confidence is no longer an abstract sentiment; it has become a functional requirement for long-term strategy. It enables sequencing across decades, sustains commitment during periods of consultation and reform, and reduces the likelihood of reactive decision-making. Financial advice has evolved accordingly. Clarity and reassurance are valued not as substitutes for performance, but as conditions that allow strategy to continue despite shorter policy cycles.

The broader implication is structural. Rule stability plays a meaningful role in shaping retirement confidence. Stability does not preclude reform. Rather, it reflects the importance of predictability, transparent communication and credible transition pathways for those making multi-decade financial commitments.

For advisers and product providers, the response must be deliberate. Diversification across legislative and investment settings, communication that interprets rather than merely informs, and structures capable of operating across tax and control regimes that can help preserve momentum. In periods where confidence softens, solutions that combine efficiency with adaptability are more likely to endure - providing households with an approach they can understand, sustain and trust.

Retirement spans decades. Policy reform operates on a shorter cycle. Confidence is the bridge between the two - and how well that bridge is maintained will shape the retirement outcomes of the next generation of Australians.



07

Certainty in light of uncertainty

Building confidence and certainty in an evolving policy landscape



“Australians are seeking clearer and more stable policy settings so they can plan with confidence. Certainty is fundamental to long-term retirement planning, and advisers play a critical role in helping to translate policy shifts into the right structures and decisions with their clients.”



Felipe Araujo
Chief Executive Officer at Generation Life

Frequent policy changes and regulatory updates make long-term planning more complex than ever. In this environment, financial advisers often rely on structures that offer clarity, stability, and predictability to anchor client plans. Diversification has long been a way of managing investment risks, whether that be investment risk, environmental risk or regulatory risk. Considering diverse investment vehicle structures is an additional way to manage investment risks.

Investment bonds can be a powerful complement or alternative to superannuation as an investment and retirement savings vehicle, particularly for HNW investors focused on intergenerational wealth transfers, tax effectiveness, enhanced certainty and control.

How investment bonds can provide certainty:

Predictable tax treatment: Governed by life insurance and tax legislation, investment bonds are tax-paid investments, taxed at a maximum of 30%. Their structure enables product providers to implement tax optimisation processes, potentially reducing the effective tax rate over the long-term.

Flexible wealth transfers: Appropriately structured, investment bonds offer advisers and investors full control over succession and estate planning outcomes, allowing transfers to intended recipients while providing options and restrictions to manage the intended recipients' access according to the investor's wishes.

Effective for high super balances: Proposed changes to superannuation taxation on earnings on balances above $3 million make investment bonds a tax-effective alternative, providing certainty to help with wealth and estate planning.

Complementary to trusts: Non-distributing investment bonds held in a trust structure can be relevant to trust management strategies.

Reduced tax triggers: Tax assessable amounts only arise if earnings are withdrawn within the first ten years, and even then, offsets up to 30% can reduce tax. This is all as long as the 125% rule is adhered to.

Cost-effective and simple: Investment bonds allow ownership transfers without triggering capital gains tax or being subject to stamp duty, making them efficient, flexible, and easy to pass on at any time.

Frequent rule changes elevate the importance of long-term investment structures such as investment bonds that can give financial advisers a reliable, structured tax framework that can preserve and grow client wealth while providing confidence, flexibility and powerful controls for their bequests.

At Generation Life, we believe that with clear guidance, communication and well-designed long-term investment frameworks, Australians can move forward with great assurances.

Generation Life continues to enhance its investment solutions to help financial advisers and their clients navigate this environment - supporting Australians across all life stages as they plan for the complexities of tomorrow.

About Generation Life

generation life

We understand that finding the right investment partner is important to you.

As the pioneer of Australia's first truly flexible investment bond, we have been at the forefront of providing innovative tax-effective investment, estate planning and retirement solutions since 2004 with $5.2 billion in funds under management.[11]

Generation Life, a wholly owned subsidiary of Generation Development Group (ASX:GDG), is a life company registered under the Life Insurance Act 1995 (Cth).

Generation Life is regulated by the Australian Prudential Regulation Authority ('APRA') and as such, we are required to hold a minimum amount of capital, determined by APRA, to ensure we can meet the payment obligations we have to our clients. APRA is the same independent statutory authority that supervises banks. The rules that underpin the operation of our investment options are also approved by APRA. Each investment option is held separately and distinctly from the other investment options and assets of Generation Life. Importantly, this means each investment option is legally independent and is quarantined and protected from any potential adverse positions that may impact either Generation Life or any of the other investment options.

About CoreData

CORE|DATA

CoreData Research is a global specialist financial services research and strategy consultancy, founded in 2002 and headquartered in Australia, with operations in Sydney, Perth, London, Boston and Manila.

We provide clients with bespoke and syndicated research services through a variety of data collection strategies and methodologies, along with consulting and research, database hosting and outsourcing services.

CoreData provides both business-to-business and business to-consumer research, while the group's offering includes market intelligence, guidance on strategic positioning, methods for developing new business, advice on operational marketing and other consulting services.

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6. JBWere (2024), The Bequest Report.
7. Investment bonds are 'tax paid' i.e. no tax is paid by investors if held for at least 10 years without any withdrawals and that 10-year period has not been reset. No tax is payable on death (even if held for less than 10 years).
8. For the purpose of this report, HNW Australians are defined as individuals with more than $1million in investable assets.
9. ABC, 'Australia soon to be second in world for retirement savings as superannuation pool soars' 2 April 2025.
10. APRA Media Release, 'APRA releases superannuation statistics for September 2025', 26 November 2025.
11. As at 31 December 2025.

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Appendix

CORE|DATA

85+ Changes to superannuation policy since inception

Superannuation in Australia: a timeline | APRA

1992

- Superannuation guarantee (SG) introduced with mandatory 3% contribution rate with increase to 9% by 2002 Superannuation in Australia: a timeline | APRA

1993

- World bank endorses Australia's '3 Pillar' system as compulsory superannuation, the age pension, and voluntary retirement savings Superannuation in Australia: a timeline | APRA
- Superannuation Industry Supervision Act introduced, effectively replacing the OSSA legislation Microsoft Word - _4_ History Retirement.doc

1994

- Income Tax Regulations (Amendment) no. 461 – flat dollar RBL's introduced INCOME TAX REGULATIONS (AMENDMENT) 1994 NO. 461
- Proposal to increase the age at which women can qualify for an age pension to 65 4102.0 - Australian Social Trends, 1994

1995

- New member protection rules introduced to prevent fund fee and charges on small accounts Article 3 - Towards higher retirement incomes for Australians: a history of the Australian retirement income system since Federation | Treasury.gov.au

1996

- Introduction of up to 15% surcharge on tax-deductible contributions to superannuation funds CHAPTER 1 – Parliament of Australia

1997

- Maximum age for superannuation guarantee contributions increased from 65 to 70 ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- Limited access to super prior to preservation age became possible on compassionate grounds or severe financial hardship ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

1998

- APRA established as prudential regulator of ADIs, insurers, and superannuation licensees Superannuation in Australia: a timeline | APRA

1999

- SMSF introduced with ATO taking administrative responsibility ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- 33.33% discount for superannuation funds on capital gains from CGT assets held for at least 12 months ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- Proposal to reduce CGT rate for super funds to 10% ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

2000

- SG reaches 8% of employers base pay ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

2001

- Financial Services Reform Act 2001 designed to be a single licensing and disclosure approach for all financial services including superannuation ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

2002

- Family Law Legislation Amendment - superannuation assets able to be divided between parties in marriage breakdown ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

2003

- Government co-contributions introduced The impact of government funded retirement contributions (matching) on the retirement savings behaviour of low and middle income individuals
- Requirement for employers to make quarterly SG payments ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

2004

- Super surcharge reduced from 12.5% to 10% ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- Compulsory Portability Benefit introduced to allow switching of entire balance of super to another fund without penalty ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- Work test governing contributions made under age 65 ceased to operate. Work test remained for contributions made above age 65. ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

2005

- Super surcharge abolished ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- Choice of fund Employers were required to offer employees a choice of superannuation fund rather than automatically allocating them to the employer's fund of choice ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- TTR introduced Transition to retirement | Australian Taxation Office

2006

- Contributions splitting introduced – SG and other contributions can be split with spouse ParlInfo - Major superannuation and retirement income changes in Australia: a chronology'
- Non-concessional contributions cap for super set at $1 million for period 10 May 2006-30 June 2007

2007

- 'Simplified Super' reform takes effect –
    - no taxation on super based pensions and
    - transfer between funds easier ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
    - Reasonable Benefit Limits (RBLs) abolished
    - Concessional contribution (CC) caps introduced
        - $50,000/year for those under 50
        - $100,000/year for those 50 and over
- Limited recourse borrowing arrangements (LRBAs) commence Limited recourse borrowing arrangements | Australian Taxation Office

2008

- Access to accrued superannuation entitlements for members with terminal medical condition ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- Temporary 50% reduction in minimum pension payments Income stream (pension) rules and payments | Australian Taxation Office
- Same-Sex Relationships (Equal Treatment in Commonwealth Laws – Superannuation) Act 2008 Same-Sex Relationships (Equal Treatment in Commonwealth Laws—Superannuation) Act 2008 - Federal Register of Legislation
- Temporary residents benefits required to be paid to ATO, if not claimed within 6 months of departing Australia ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

2009

- Concessional contribution caps halved to $25,000 Legal database - View: Extrinsic Materials: Tax Laws Amendment (2009 Budget Measures No. 1) Act 2009 - Explanatory Memorandum - REPS
- Non-concessional cap reduced to $150,000 (limited to 6 times CC) Legal database - View: Extrinsic Materials: Tax Laws Amendment (2009 Budget Measures No. 1) Act 2009 - Explanatory Memorandum - REPS
- Expanded definition of 'ordinary time earnings' ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

2010

- Formal inclusion of industry funds in industrial awards ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- Superannuation guarantee age limit raised from 70 to 75 ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

2011

- Stronger Super reformed announced, including the MySuper product Superannuation in Australia: a timeline | APRA
- Refund of excess concessional contributions introduced ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- Government co-contribution reduced by half ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- Rules imposed on SMSF investment in collectable s or personal use assets ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

2012

- LISC introduced Tax and Superannuation Laws Amendment (Increased Concessional Contributions Cap and Other Measures) Bill 2013 – Parliament of Australia
- Electronic request of consolidation of super benefits through ATO introduced ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- Additional 15% tax on concessional contributions for 'very high income earners' ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

2013

- Registration regime for SMSF auditors commenced ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- APRA's prudential framework for superannuation established Superannuation in Australia: a timeline | APRA
- SG increased from 9% to 9.25% ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- Maximum age limit for SG (70) abolished ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- Concessional contributions cap increased to $35,000 for those ages 60 and above ParlInfo - Major superannuation and retirement income changes in Australia: a chronology

2014

- MySuper comes into effect for new employees MySuper | Treasury.gov.au
- Workers without preferred superfund nominated begin receiving SG contributions into a MySuper fund chosen by employer Superannuation in Australia: a timeline | APRA
- SG guarantee increased to 9.5% ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- CC cap increased to $35,000 for those 50 and over ParlInfo - Major superannuation and retirement income changes in Australia: a chronology
- SMSF administrative penalties introduced ATO compliance action penalties for SMSFs | Leading SMSF Law Firm

2015

- SG rate increases paused, deferring path to 12% until later years Regulation Impact Statement: CHANGING THE SCHEDULE FOR INCREASING THE SUPERANNUATION GUARANTEE
- QROPS rule changes restrict retail funds from accepting UK pension transfers How to Transfer Your UK Pension to Australia (QROPS Guide)

2016

- Preservation age moved to 60 for those born after 1 July 1960 1.1.P.377 Preservation age | Social Security Guide

2017

- Low Income Superannuation Tax Offset (LISTO) introduced A new look at the Low Income Superannuation Tax Offset
- removal of 10% employment income test Concessional contributions - removal of 10% test | BT Professional
- Transfer Balance Cap (TBC) introduced Transfer balance cap | Australian Taxation Office
- Total Super Balance (TSB) measures introduced Understanding-Super-Terminology.pdf

2018

- Downsizer contributions introduced Downsizer Contributions
- Unused concessional contribution cap carry-forward introduced Unused-Concessional-Contributions-Cap-Carry-Forward.pdf

2019

- 1-year work exemption in effect SIS Regs amended to allow 1 year exemption from 'work test' for recent retirees - Tax Technical
- Outstanding LRBA balances included in TSB LRBA amounts to be included in Total Superannuation Balance | Heffron
- SG salary sacrifice contribution 'loophole' closed SG loophole to be closed six months earlier than originally planned

2020

- Early release of super introduced (COVID-19) – up to $20,000 under temporary COVID hardship COVID-19 Early release of super | Australian Taxation Office
- SG opt-out for multiple employers to avoid excess SG contributions Superannuation Guarantee Exemption for High Income Earners

2021

- Your Future, Your Super (YFYS) reform commences, Annual APRA performance reviews with underperforming funds required to notify members Implementation of Your Future, Your Super reforms
- SG rate reaches 10% Super guarantee | Australian Taxation Office

2022

- Work test largely removed for ages 67-74 Work test removal, and contribution flexibility | BT Professional
- Downsizer contribution age reduced to 60 GN 2018/2 | Legal database
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- SG rate reaches 10.5% Super guarantee | Australian Taxation Office

2023

- SG increased to 11% Super guarantee | Australian Taxation Office
- Expansion of YFYS performance testing to additional products (trustee-directed products) Your Future, Your Super legislation and supporting material | APRA

2024

- Contribution caps indexed – concessional cap increases to $30,000, non-concessional cap increases to $120,000 Contributions caps | Australian Taxation Office
- Legislation proposed with plans to tax super balances above $3 million
- SG increased to 11.5% Super guarantee | Australian Taxation Office

2025

- SG increased to 12% Super guarantee | Australian Taxation Office
- Transfer Balance Cap indexed at $2 million What you need to know about the $2m Transfer Balance Cap in 2025-26
- Superannuation paid on Government Paid Parental Leave Paid Parental Leave Superannuation Contribution | Australian Taxation Office
- Family law superannuation reforms commence with updated valuation and splitting rules for super in divorce and separation Changes to the law | Attorney-General's Department

2026

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- Additional tax on super balances above $3 million Better targeted superannuation concessions | Australian Taxation Office
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