



## Thinking outside the box

Shaping the next chapter of retirement

## Discover Generation Life

Generation Life is the market leader and innovator in tax-aware investing, intergenerational wealth transfers, succession planning, and retirement income solutions.

As a wholly owned subsidiary of Generation Development Group, we are proud to be part of the broader Group that includes Lonsec Research and Ratings, and Evidentia Group.



**>\$5.3b**  
**in FUM<sup>1</sup>**



**#1 provider of**  
**investment bond**

60% market share of annual  
investment bond inflows<sup>2</sup>



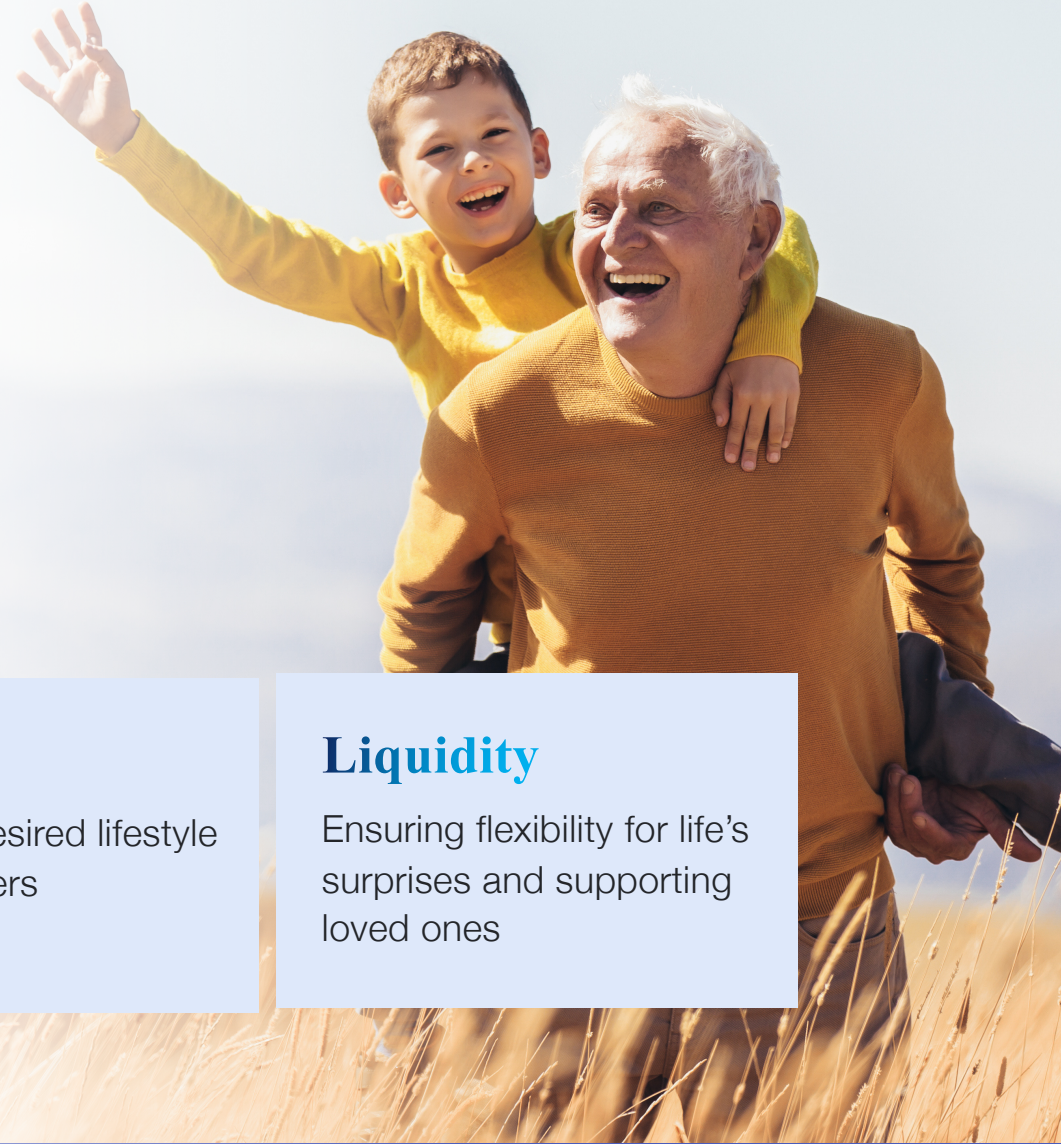
**Innovating retirement**  
**landscape**  
with estate planning and  
lifetime income solutions



**Trusted and**  
**APRA regulated**  
Parent company  
ASX 200 listed<sup>3</sup>

1. As at 31 March 2026  
2. Plan for Life, Investment Bonds Market Report for period ended 30 September 2025.  
3. ASX 200 inclusion on the 24<sup>th</sup> of April 2025.





## The four pillars of retirement: Longevity, Legacy, Lifestyle & Liquidity



### **Longevity**

Generating a sustainable income throughout retirement

### **Legacy**

Transferring wealth with clarity and certainty

### **Lifestyle**

Funding a desired lifestyle that empowers confidence

### **Liquidity**

Ensuring flexibility for life's surprises and supporting loved ones

## Retirement opportunity

**4.3m - 6.7m**

Increase in retirees and late pre-retirees from 2021 to 2041.<sup>1</sup>

**54%**

65+ age population growth from 2021 to 2041 including a 140% increase in 85+ age cohort.<sup>1</sup>

**34%**

of people living outside Australia's capital cities are aged 55 years and over, compared with **26%** in capital cities.<sup>2</sup>

**>1 in 3**

Australians aged 50+ are considering a relocation in retirement.<sup>3</sup>

**4 in 10**

Downsizers are in regional areas.<sup>3</sup>

**Regional homeowners**

More people have left cities than moved to them from regional areas, and they often become homeowners in their new location.<sup>3</sup>

1. Tom Wilson and Jeromey Temple (2022), 'New population projections for Australia and the States and Territories, with a particular focus on population ageing CEPAR Working Paper 2022/11. ' Rounded figures refer to projections based on Australian population aged 65+ in 2022. ([https://www.cepar.edu.au/sites/default/files/WP2022%3A11\\_New projections of population ageing for Australia %2810 Aug 2022%29.pdf](https://www.cepar.edu.au/sites/default/files/WP2022%3A11_New%20projections%20of%20population%20ageing%20for%20Australia%2010%20Aug%202022%29.pdf)). Accessed 18 May 2026.

2. Australian Bureau of Statistics (2024). Regional population by age and sex. [online] Australian Bureau of Statistics. Available at: <https://www.abs.gov.au/statistics/people/population/regional-population-age-and-sex/latest-release>.

3. 'Media Release: Australia's Top 50 Retirement Locations [2025 edition]' (<https://www.joincito.com.au/resources/australias-top-50-retirement-locations-2025-media>) Accessed 18 May 2026.

4. AHURI (2025) Movement to regional Australia is a long term trend – and it's not the people you thought who are moving. (<https://www.ahuri.edu.au/analysis/news/movement-regional-australia-long-term-trend-and-its-not-people-you-thought-who-are-moving>, accessed 14 May 2026)

## Mindset shift...

### Your clients may live longer than their current financial plan

The accumulation mindset lingers. Most portfolios are built to grow – not tailored to generate an easily accessible, regular income.

#### 85-87

Life expectancy for a 65-year-old man and woman.<sup>1</sup>

#### \$77,375

ASFA comfortable retirement standard. Age Pension of \$47,070 including supplements fills part of the gap — but not all.<sup>2</sup>

#### Sandwich generation

As Australians expect to live longer, 1.5 million are caught supporting ageing parents and the next generation<sup>3</sup> – a key concern by retirees is burdening the sandwich generation.<sup>4</sup>

1. ABS 2014 for life expectancies in 2022, as reported by AIHW 'Older Australians' (2024) at <https://www.aihw.gov.au/reports/older-people/older-australians/contents/health/health-status-and-functioning>, accessed 18 May 2026.
2. ASFA, (2026) Retirement Standard. For couple aged 65-84, Dec 2025 quarter: <https://www.superannuation.asn.au/consumers/retirement-standard/> accessed 14 May 2026. Age Pension for a couple (combined, living together): <https://www.superguide.com.au/in-retirement/age-pension-rates>, accessed 14 May 2026.
3. ABC (2025), The Care Squeeze: 1.5 Million 'sandwich generation' Australians care for both children and parents — as it happened (<https://www.abc.net.au/news/2025-06-30/the-care-squeeze-live-blog/105465494>), access 14 May 2026
4. Ahuri, Movement to regional Australia is a long term trend – and it's not the people you thought who are moving: (<https://www.ahuri.edu.au/analysis/news/movement-regional-australia-long-term-trend-and-its-not-people-you-thought-who-are-moving>), accessed 14 May 2026



## Busting retirement myths...

*“I’ll retire when I’m ready to retire”*

Retirement age is no longer a standard concept — changes in health and job loss can bring it forward earlier than planned.<sup>1</sup>

*“I need to make all the big decisions from day one of retirement”*

The fear of making a poor decision often discourages action – 62% of pre-retirees and 52% of retirees fear of making ‘the wrong decision’.<sup>2</sup>

*“I need \$1 million in super to retire comfortably”*

Two in five Australians are in the dark about how much money they need to retire.<sup>3</sup>

*“I need to spend all my savings before I can apply for the Age Pension”*

Lifetime income products can benefit from discounted assets test treatment. This helps retirees access – or increase – Age Pension entitlements to supplement income generated from their assets.

1. Australian Bureau of Statistics (2025), *Retirement and Retirement Intentions*, (<https://www.abs.gov.au/statistics/labour/employment-and-unemployment/retirement-and-retirement-intentions-australia/latest-release>) accessed 14 May 2026

2. Behavioural Research Summary: Retirement, Generation Life

3. Retirement Preparedness in Australia, iSelect, *Retirement gap laid bare in iSelect survey*, (<https://www.superreview.com.au/retirement-gap-laid-bare-in-iselect-survey/>), accessed 14 May 2026



# 'FORO'

## the Fear Of Running Out of money

### Scarcity Mindset

Retirees focus obsessively on avoiding depletion, even when projections show they're comfortably funded.<sup>1</sup>

### Over Half

think they have a 40% or greater likelihood of outliving their retirement savings.<sup>2</sup>

### Retirees Fear

the loss of what they already have – income, security, independence and lifestyle.

### At the same time

Regulatory change may put pressure on financial advisers to find new ways to remain relevant to satisfy client needs.

HOME BUDGET					
	FEB	MARCH	APRIL	MAY	
25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00
-	-	2,500.00	500.00	-	-
1,000.00					
250.00	250.00	250.00	250.00	250.00	
26,250.00	25,250.00	27,750.00	29,750.00	29,750.00	25,250.00

	FEB	MARCH	APRIL	MAY	
4,167.00	4,167.00	4,167.00	67.00	4,167.00	
849.38	849.38	849.38	9.38	849.38	
631.46	631.46	631.46	46	631.46	
210.00	-	-	-	-	
1,500.00	1,000.00	1,550.00	0	2,000.00	
1,500.00					
750.00	750.00	750.00	750.00	750.00	
300.00	300.00	300.00	300.00	300.00	
877.00	877.00	877.00	877.00	877.00	

	FEB	MARCH	APRIL	MAY	
00	2,500.00	2,500.00	2,500.00	2,500.00	
00	700.00	820.00	1,200.00	765.00	
00	300.00	300.00	300.00	300.00	
00	1,000.00	1,000.00	1,000.00	1,000.00	
00	200.00	-	-	-	
84	13,274.84	13,744.84	14,37		
00	25,250.00	27,750.00	29,7		



1. Expertfile.com (2025). Fear Of Running Out (FORO), (<https://expertfile.com/spotlight/10172/Fear-Of-Running-Out--FORO->), Accessed 15 May 2026.  
 2. Vanguard (2024) 'How Australia Retires' report [https://aemdam.assets.vgdynamic.info/assets/intl/australia/shared/documents/media-releases/Vanguard\\_2024\\_HAR.pdf](https://aemdam.assets.vgdynamic.info/assets/intl/australia/shared/documents/media-releases/Vanguard_2024_HAR.pdf), accessed 14 May 2026.



## What does this mean for advice?

### **Retirement income pressure**

Supporting two generations can create uncertainty around retirement timing and Age Pension eligibility.

### **Complex estate planning**

Families are navigating earlier wealth transfers while still planning for longevity.

### **Multi generational advice opportunity**

Advisers are supporting clients, and their parents and adult children by extension.

### **Supporting the conversation**

Advisers can help families navigate difficult discussions and may provide greater certainty for income regularity.





## Focusing on preserving, not spending

Finding the ‘why’ behind the confidence gap

**Shifting to predictable paycheque from navigating drawdown** decisions each year

**>4 in 5 retirees stick with the default** option of an account-based pension, leaving them to manage their longevity risks by managing their spending.<sup>1</sup>

**Best Practice Principles –** consider retirement income solutions for members' outcomes beyond accumulation as part of strategies that consider the needs of all retirees.<sup>2</sup>

### That solution can be a lifetime income stream.

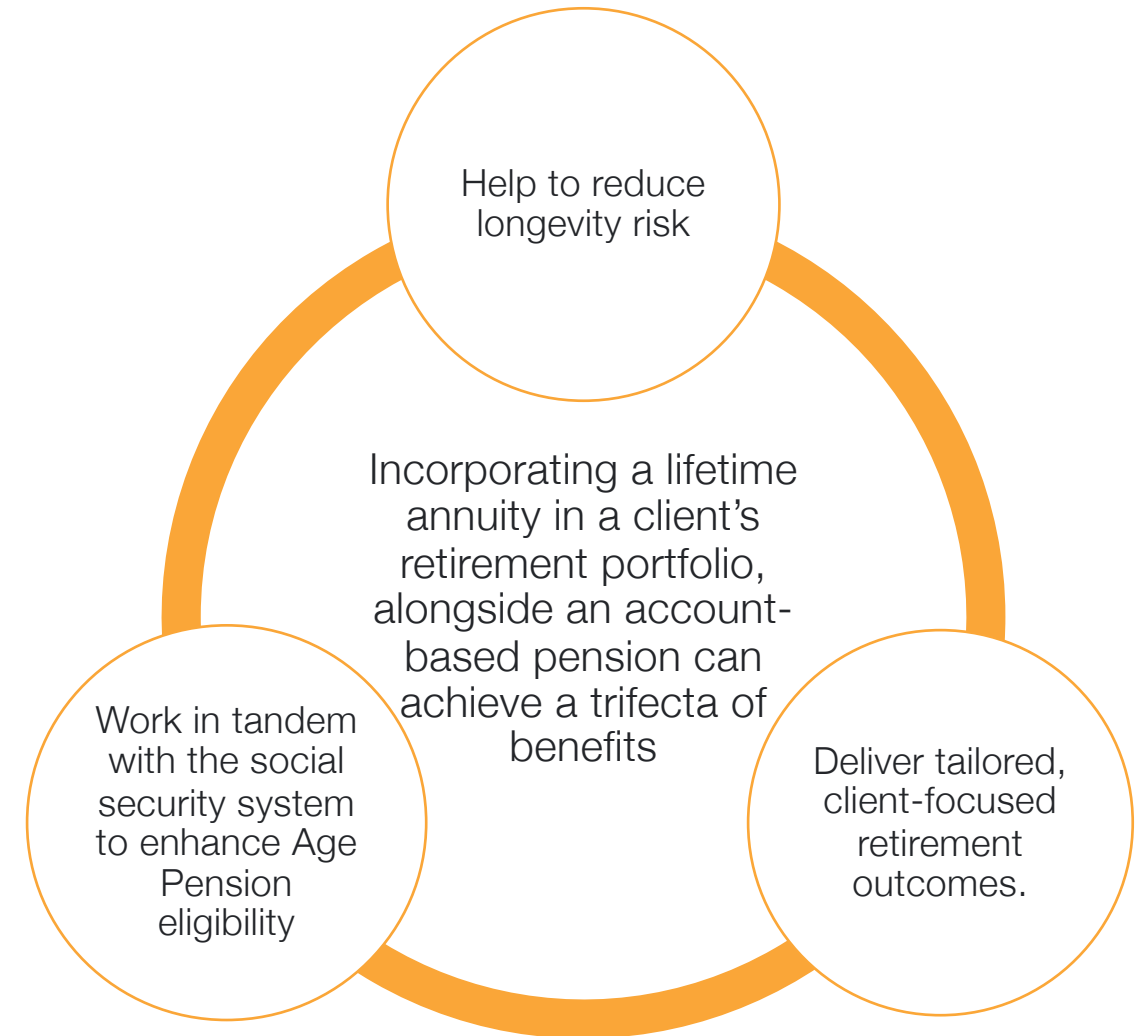
The solution already exists: a lifetime income stream that shifts the main focus from account balance levels to regular income.

1. Grattan Institute (2025) Reform Super to Take the Stress Out of Retirement, (<https://grattan.edu.au/reform-super-to-take-stress-out-of-retirement/>) accessed 14 May 2026  
2. Guidance on best practice principles for superannuation retirement income solutions: Consultation paper. (2025). Available at: ([https://storage.googleapis.com/files-au-treasury/treasury/p/prj36e5266f6b72d45c934bb/page/c2025\\_685228\\_cp.pdf](https://storage.googleapis.com/files-au-treasury/treasury/p/prj36e5266f6b72d45c934bb/page/c2025_685228_cp.pdf)) Accessed 15 May 2026



## Looking beyond account-based pensions

For financial advisers seeking solutions that extend beyond account-based pensions, investment-linked lifetime income streams can...





## LifeIncome

### Innovations to lifetime annuities providing choice and flexibility

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#### **An income guaranteed for life**

Higher starting income with LifeBooster can mean more cumulative income sooner

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#### **Investment choice and switching at anytime<sup>1</sup>**

Across all major asset classes including purpose-built investment options

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#### **Reversionary beneficiary**

Option for reversionary percentage

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#### **Death Benefit & Withdrawal Benefit**

Protect your spouse / loved one whilst having flexibility and peace of mind

1. Brief exclusion period applies – refer to the Product Disclosure Statement





## Outcome driven

Incorporating a lifetime annuity in a client's retirement portfolio, alongside an account-based pension can mean...

Your clients need less money to generate the same level of income

Your clients could retire earlier as they don't need to save as much

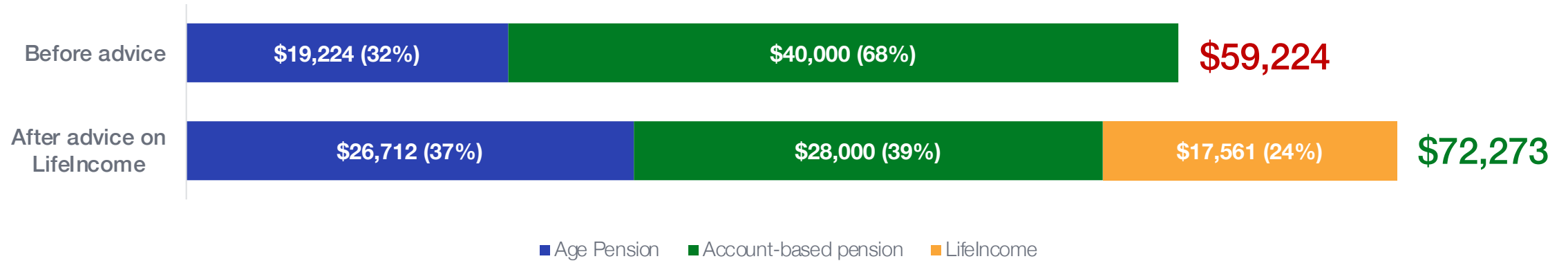
Your clients could spend more...and have a more enjoyable retirement





# Increasing Age Pension – Designing for retirement income

Year 1 comparison



## Means tested asset value

60% of your investment amount. From age 85, only 30% is assessed (subject to a minimum of 5 years).

## Means tested income

Only 60% of your LifelIncome annual income

## If \$240,000 invested in LifelIncome

Assessable assets	Reduce by \$96,000
Age Pension uplift	\$7,488 in year 1
Uplift in Age Pension in year 1 return	3.12%

Based on LifelIncome policies commenced on 7/5/2026 for a couple investing 30% of their superannuation balance into an investment-linked lifetime annuity with a LifeBooster rate of 5%. There are no fees or costs on the income paid from the investment-linked lifetime annuity in the first financial year. Fees and costs applicable to the investment-linked lifetime annuity will reduce the annual income received after the first financial year. No adviser fees have been charged. Social security rates and thresholds assume homeowners with two funeral bonds and are valid as at 20/3/2026. A combined superannuation balance of \$800,000, non-superannuation assets of \$50,000, and personal assets of \$20,000 have been assumed.



## Three LifeIncome use cases

The power of optimising retirement income



*“Can we afford to retire?”*

## Insights: From our time in market

Incorporating a lifetime annuity in a client’s retirement portfolio, alongside an account-based pension means they can...

Use **less money** to generate the **same** level of **income**

**Retire earlier** as you don’t need to save as much

**Spend more...**  
and have a more enjoyable retirement





## Meet Jo and Mo

<b>Age</b>	65
<b>Situation</b>	Couple Homeowner
<b>Combined superannuation</b>	\$1,200,000
<b>Personal assets</b>	\$10,000





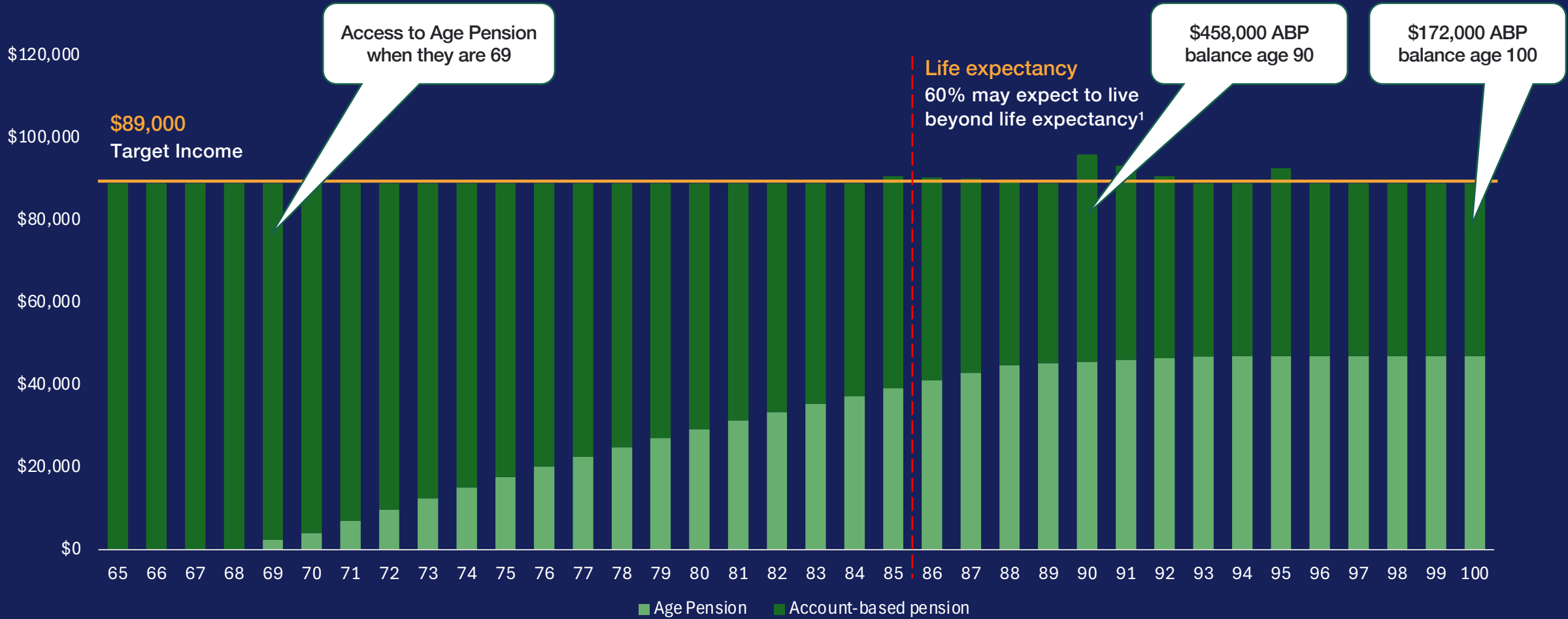
## Jo and Mo's Objectives

- Require at least \$89,000 p.a. in retirement, increasing in line with the cost of living (CPI)
- Would like to understand if they can afford to retire now and spend with confidence
- Would like to grow their retirement portfolio over time without FORO – fear of running out of money

**Jo and Mo speak to their financial adviser**



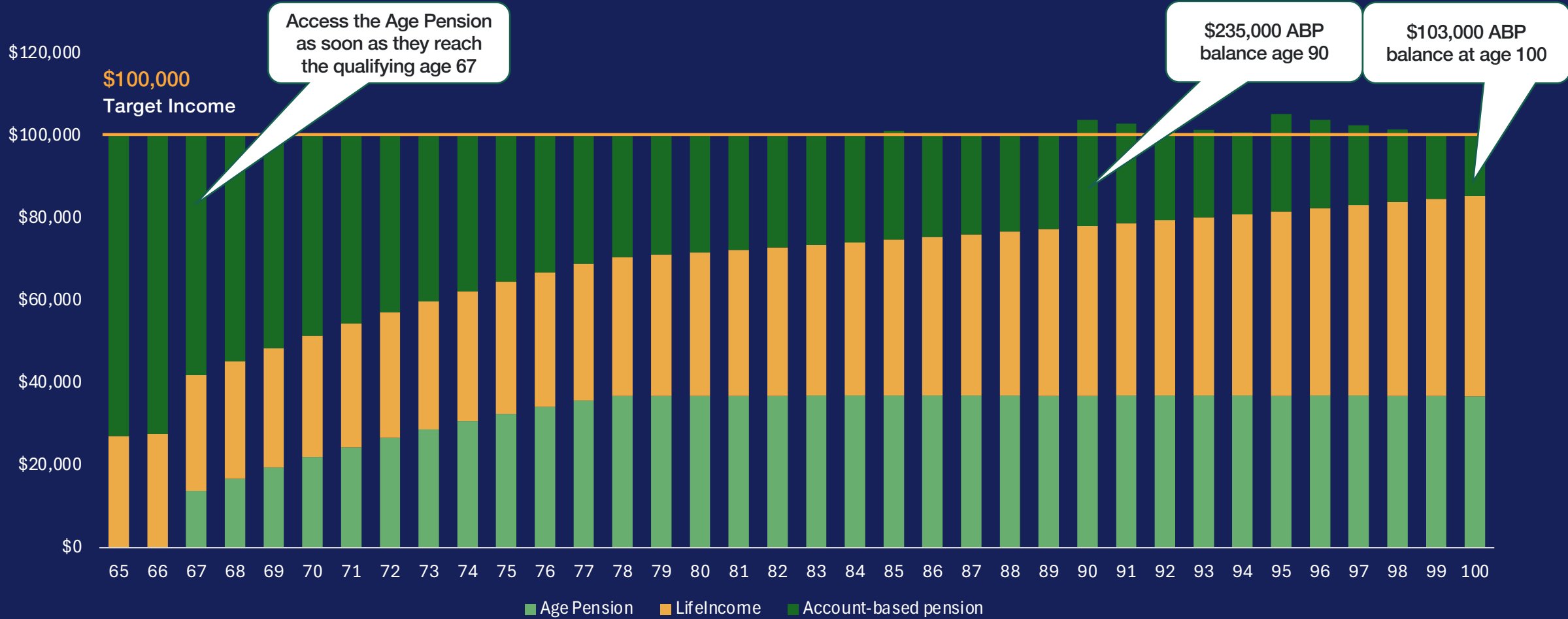
# If Jo and Mo rely on **all their superannuation in account-based pensions...**



1. Estimated figure based on life expectancy at birth. Estimated life expectancy at age 65 for Mo is 85 of age and 87 of age for Jo: ABS 2014 for life expectancies in 2022, as reported by AIHW 'Older Australians' (2024) at <https://www.aihw.gov.au/reports/older-people/older-australians/contents/health/health-status-and-functioning>, accessed 18 May 2026; Australian Government Actuary, Australian Life Tables 2020-22 (Commonwealth of Australia, December 2024), [https://aga.gov.au/sites/aga.gov.au/files/sites/aga.gov.au/files/publications/2024-12/australian-life-tables-2020-22\\_1.pdf](https://aga.gov.au/sites/aga.gov.au/files/sites/aga.gov.au/files/publications/2024-12/australian-life-tables-2020-22_1.pdf), accessed 18 May 2026. Based on a 65-year-old homeowner couple with a combined superannuation balance of \$1,200,000 and \$10,000 in personal assets. Account-based pension drawdown amount is to meet the target income and takes into account the minimum prescribed rate each year. Age Pension rates and thresholds are as at 20/03/2026. The projection uses an assumed gross investment return of 8% p.a. less estimated fees, expenses and costs of 1.17% p.a. (assuming 0.25% p.a. investment management fee) and discounted by the LifeBooster rate of 5% p.a. Estimated administration and investment management costs of 0.50% p.a. for the account-based pension. No financial adviser fees have been taken into account. Past performance is not a reliable indicator of future performance.



# Alternatively, Jo and Mo spend more in retirement...



Based on a 65-year-old homeowner couple with a combined superannuation balance of \$1,200,000 and \$10,000 in personal assets. Jo and Mo both starting a LifeIncome policy of \$344,800 with a LifeBooster rate of 2.5%. Account-based pension drawdown amount is to meet the target income and takes into account the minimum prescribed rate each year. Age Pension rates and thresholds are as at 20/03/2026. The projection uses an assumed gross investment return of 8% p.a. less estimated fees, expenses and costs of 1.17% p.a. (assuming 0.25% p.a. investment management fee) and discounted by the LifeBooster rate of 2.5% p.a. Estimated administration and investment management costs of 0.50% p.a. for the account-based pension. No financial adviser fees have been taken into account. Past performance is not a reliable indicator of future performance.

## Jo and Mo's outcomes when compared to no LifelIncome...

✓ Able to spend additional ≈\$11,000 each year until age 100

✓ Total additional cumulative income of \$855,477 until age 100

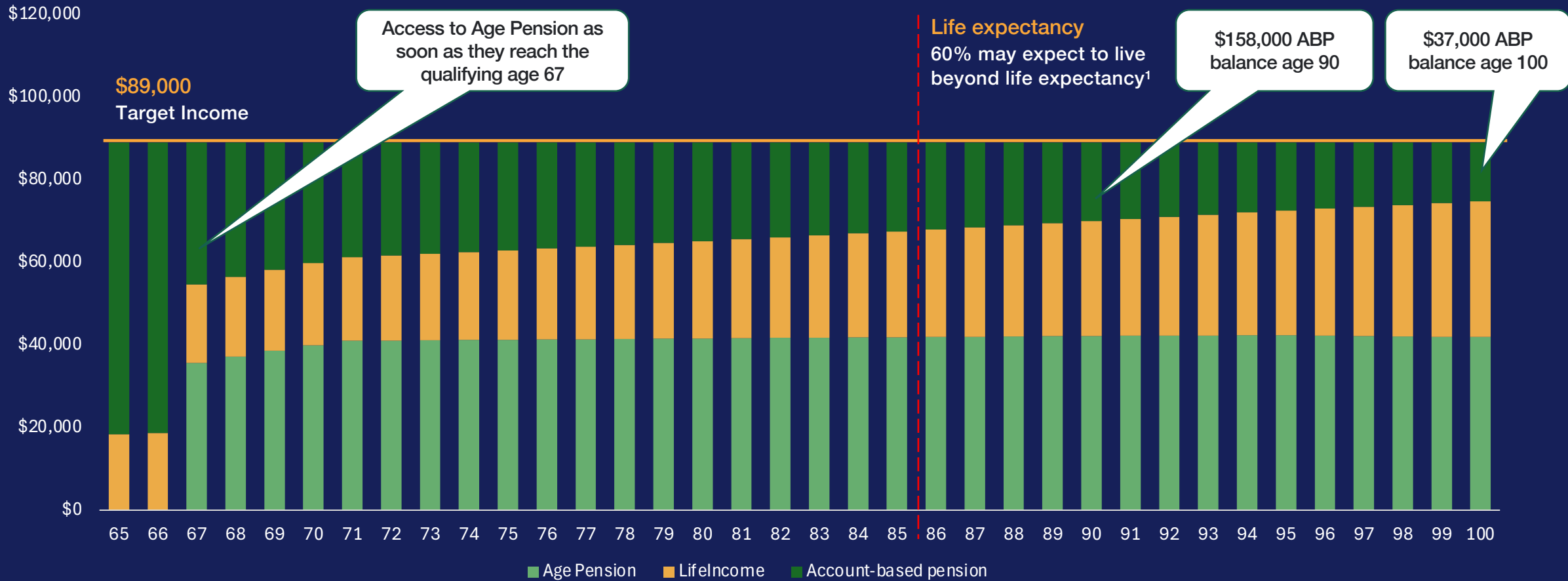
✓ Immediate access to Age Pension at pension age

✓ Total additional cumulative Age Pension of \$441,666 until age 100





# By incorporating **LifeIncome**, Jo and Mo will need **\$338,000 less**



1. Estimated figure based on life expectancy at birth. Estimated life expectancy at age 65 for Mo is 85 of age and 87 of age for Jo: ABS 2014 for life expectancies in 2022, as reported by AIHW 'Older Australians' (2024) at <https://www.aihw.gov.au/reports/older-people/older-australians/contents/health/health-status-and-functioning>, accessed 18 May 2026; Australian Government Actuary, Australian Life Tables 2020–22 (Commonwealth of Australia, December 2024), [https://aga.gov.au/sites/aga.gov.au/files/sites/aga.gov.au/files/publications/2024-12/australian-life-tables-2020-22\\_1.pdf](https://aga.gov.au/sites/aga.gov.au/files/sites/aga.gov.au/files/publications/2024-12/australian-life-tables-2020-22_1.pdf), accessed 18 May 2026. Based on a 65-year-old homeowner couple with a combined superannuation balance of \$862,000 and \$10,000 in personal assets. Jo and Mo both starting a LifeIncome policy with \$344,800 with a LifeBooster rate of 2.5%. Account-based pension drawdown amount is to meet the target income and takes into account the minimum prescribed rate each year. Age Pension rates and thresholds are as at 20/03/2026. The projection uses an assumed gross investment return of 8% p.a. less estimated fees, expenses and costs of 1.17% p.a. (assuming 0.25% p.a. investment management fee) and discounted by the LifeBooster rate of 2.5% p.a. Estimated administration and investment management costs of 0.50% p.a. for the account-based pension. No financial adviser fees have been taken into account. Past performance is not a reliable indicator of future performance.

## Jo and Mo's outcomes...

✓ Need \$338,000 less superannuation savings to be paid the same annual income.

✓ Immediate access to Age Pension at pension age.

✓ Total additional cumulative Age Pension of \$347,088 by age 100

✓ Additional layers of income for life - LifeIncome and the Age Pension





Case study  
Thinking outside the box





## Meet Sophia

<b>Age</b>	73
<b>Situation</b>	She is single and is a self-funded retiree She has one son, Paul, who is 50 years old
<b>Account-based pension</b>	\$360,000
<b>Cash at bank</b>	\$350,000
<b>Car and home contents</b>	\$40,000





## Sophia's concerns

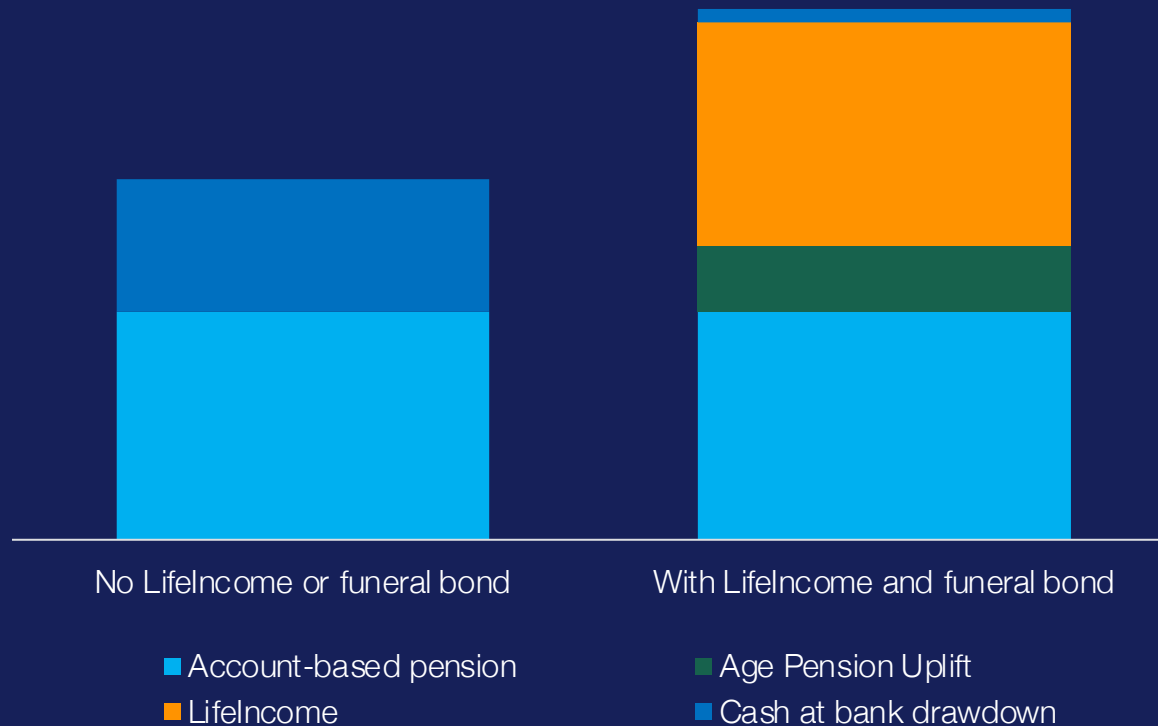
- She is concerned about her retirement spending
- Her troubled son Paul is bad with money, but Sophia nonetheless wants to leave him an inheritance.
- She would like to gain access to the Age Pension and also secure Paul's future.
- Minimise the potential for Paul to misuse a future lump sum inheritance.

**Sophia speaks to her financial adviser**



## Sophia's solution...

Sophia invests \$300,000 of her non-superannuation money into a LifeIncome and \$15,750 into a funeral bond. She nominates Paul as a reversionary beneficiary providing regular income for both their lives.



## Sophia's first year income position...

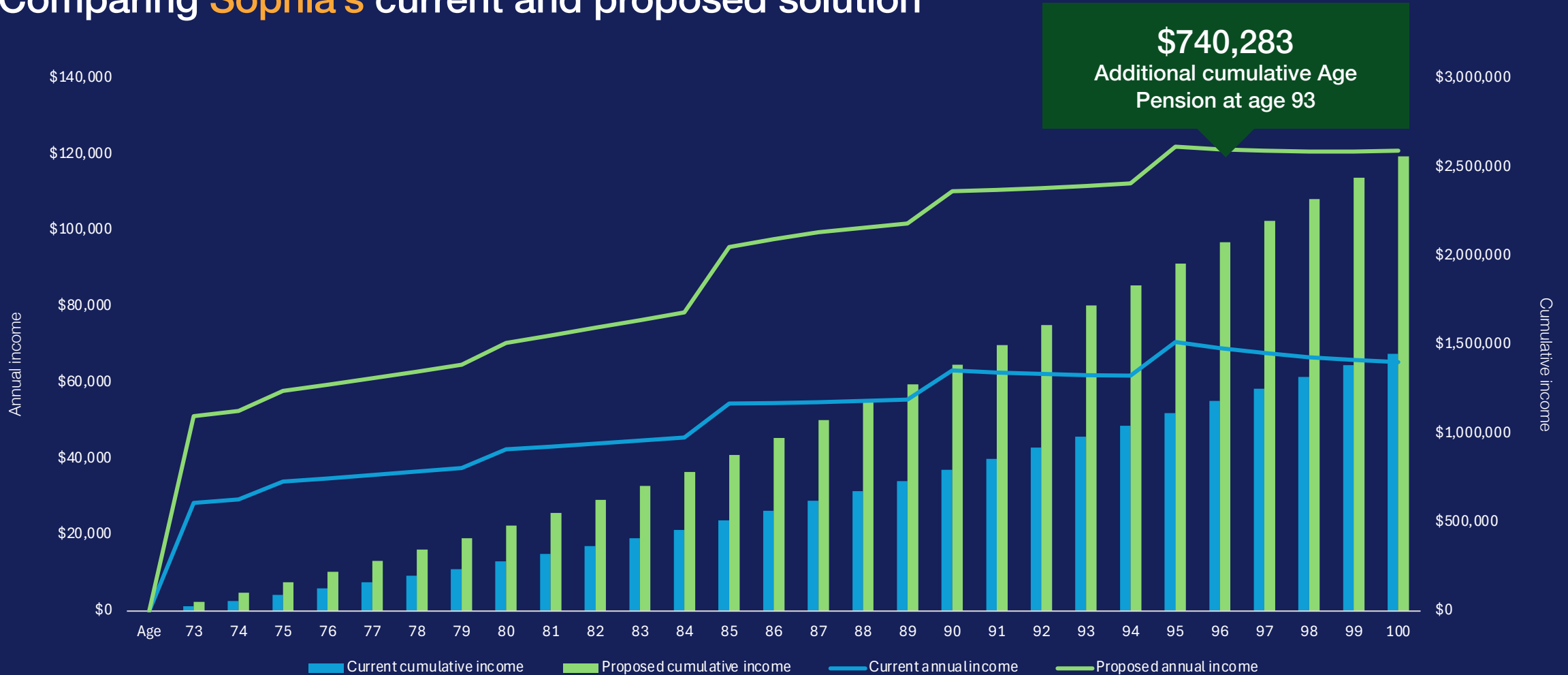
	Without LifeIncome	With LifeIncome
LifeIncome	\$0	\$17,683
Age Pension	\$0	\$8,389
Account-based pension	\$18,000	\$18,000
Cash at bank drawdown	\$10,500	\$1,028
<b>Total</b>	<b>\$28,500</b>	<b>\$45,099</b>

Sophia **receives immediate** access to the Age Pension by **bringing it forward by 5 years - an extra \$38,000 in income.**

Based on Sophia commencing a \$300,000 non-superannuation LifeIncome on 01/05/2026 with Paul as the Reversionary Beneficiary using a LifeBooster 5% rate. Annual income illustrations are shown in real dollars. Cumulative income is shown in notional dollars. Estimated fees, expenses and costs of 0.5% p.a. for the account-based pension and 1.17% p.a. for LifeIncome. There are no fees and costs on the income paid from LifeIncome in the first financial year (or part thereof). Fees on LifeIncome are a percentage of the annual income. Assumed investment returns of 8% p.a. on superannuation assets and LifeIncome, and 3% p.a. on non-superannuation assets, and inflation of 2.5% p.a. No adviser fees have been charged and social security rates and thresholds are valid as at 20/03/2026. Account-based pension is assumed to be drawdown at the minimum prescribed rate each year. Cash at the bank assumes drawdown of 3% p.a.



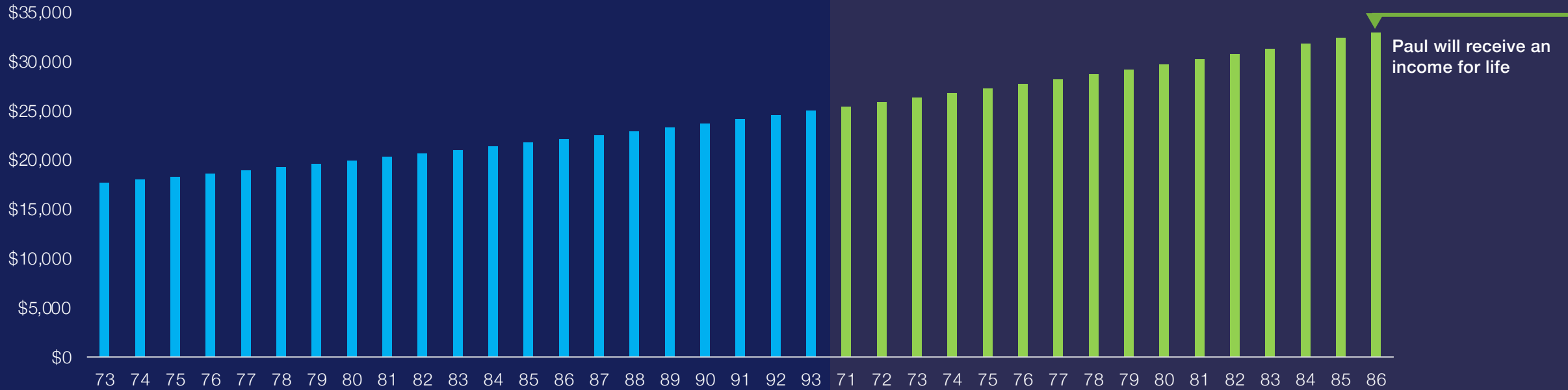
# Comparing Sophia's current and proposed solution



Based on Sophia commencing a \$300,000 non-superannuation LiferIncome on 01/05/2026 with Paul as the Reversionary Beneficiary using a LifeBooster 5% rate . Annual income illustrations are shown in real dollars. Cumulative income is shown in notional dollars. Estimated fees, expenses and costs of 0.5% p.a. for the account-based pension and 1.17% p.a. for LiferIncome. There are no fees and costs on the income paid from LiferIncome in the first financial year (or part thereof). Fees on LiferIncome are a percentage of the annual income. Assumed investment returns of 8% p.a. on superannuation assets and LiferIncome, and 3% p.a. on non-superannuation assets, and inflation of 2.5% p.a. No adviser fees have been charged and social security rates and thresholds are valid as at 20/03/2026. Account-based pension is assumed to be drawdown at the minimum prescribed rate each year. Cash at the bank assumes drawdown of 3% p.a.



# What if **Sophia** passes away at age 93...



**Sophia receives \$443,807 in cumulative income until she passes away at age 93.**



**Paul, now age 70 himself, will receive \$464,430 until his life expectancy and continue to receive an income for life after that.**

**He will inherit a further \$249,713 from Sophia's remaining assets.**

Based on Sophia commencing a \$ 300,000 non-superannuation LiferIncome on 1/05/2026 with LifeBooster 5%, with Paul as the Reversionary Beneficiary. Annual income illustrations are shown in real dollars. Cumulative income is shown in notional dollars. Estimated fees, expenses and costs of 1.17% p.a. for LiferIncome. Fees on LiferIncome are a percentage of the annual income. There are no fees and costs on the income paid from LiferIncome in the first financial year (or part thereof). Assumed investment returns of 8% p.a. on LiferIncome, and 3% p.a. on non-superannuation assets, and inflation of 2.5% p.a. No adviser fees have been charged. Paul's life expectancy is based on his age when Sophia passes away at age 93.

## Sophia's outcomes...



Additional income of \$22,710 in year 1 and maximises her retirement income



Immediate access to Age Pension and ancillary benefits



\$48,771 additional Age Pension until age 77, bringing forward access by 5 years



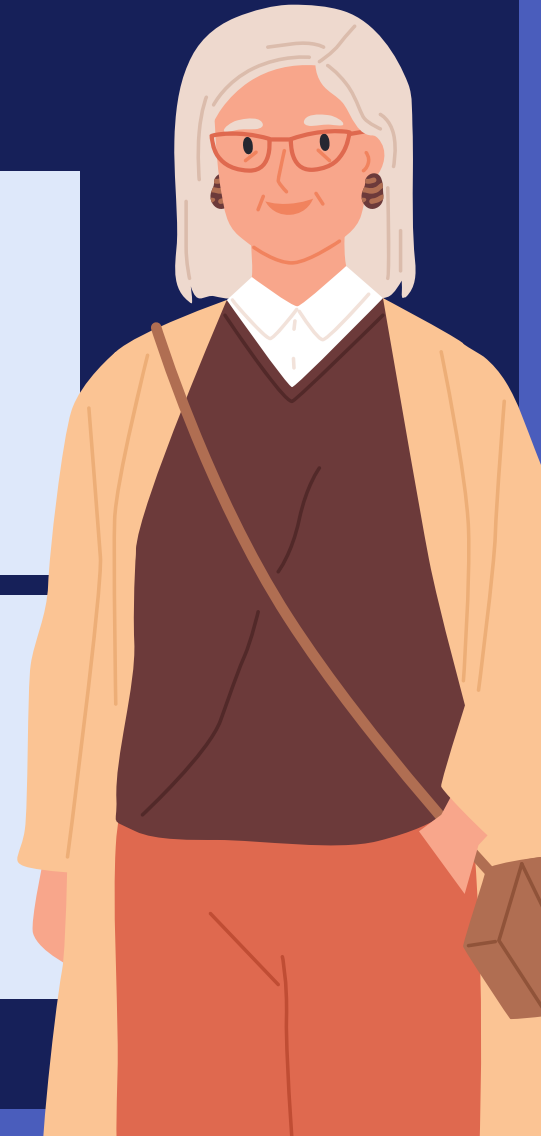
Additional cumulative income of \$1,112,281 until age 100 for Sophia



Ability to nominate Paul as a reversionary beneficiary, providing him with an income guaranteed for life when Sophia passes away



No tax on earnings and concessional treatment should their income exceed SAPTO



*“My client is too old to consider a lifetime annuity?”*



Using the non-spouse reversionary strategy addresses the concern a lifetime income stream is not appropriate for older clients or those with ill-health

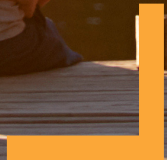


Provide the client the confidence to spend, potential Age Pension uplift and reduced aged care fees



Case study

Minimising the impact of an inheritance on your Age Pension benefits



## Meet Julie...

**Age** 79

**Situation** Recently widowed and a homeowner

Due to now being assessed on the Single thresholds and rates, with all assets in her name, Julie's Age Pension entitlement has dropped substantially.



## Julie's situation...

Reversionary account-based pension	\$228,000
Cash at bank	\$210,000
Managed fund	\$58,000
Personal assets	\$10,000
<b>Total assessable assets</b>	<b>\$506,000</b>
<b>Age Pension</b>	<b>\$16,832</b>



A reduction from \$45,016 when they were receiving as a couple





## Julie's goals

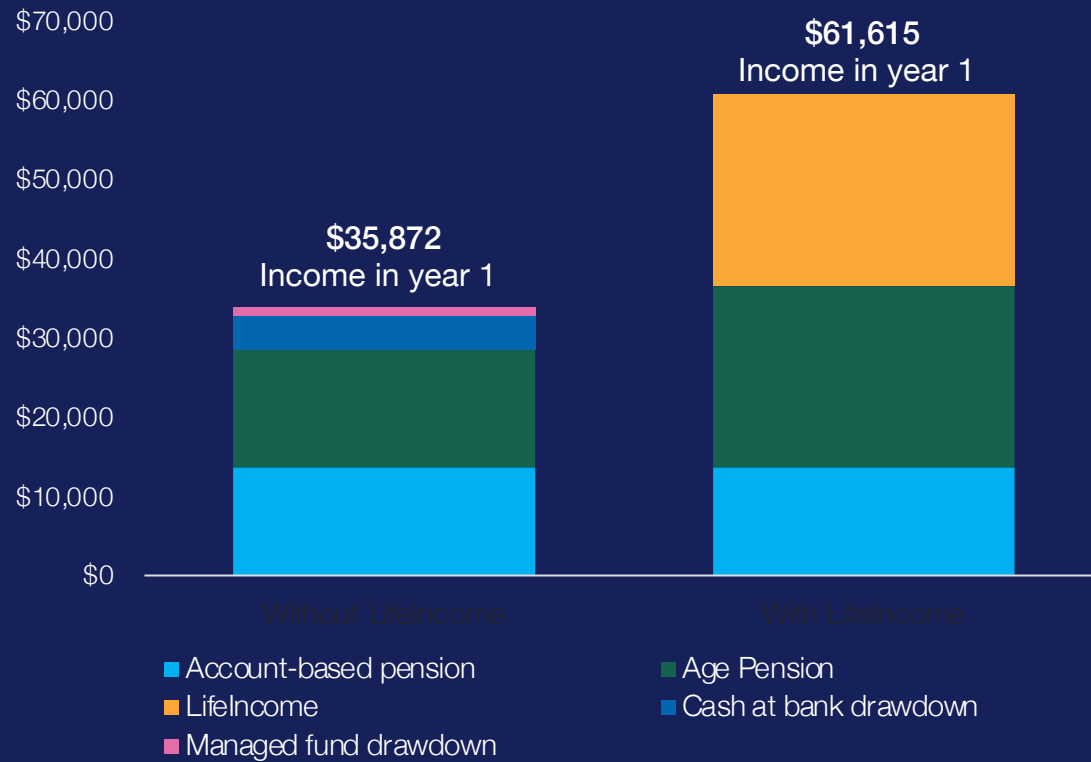
- Minimise the impact from her late husband's inheritance on her Age Pension benefits
- Optimise the level of income in retirement and complement other income streams

**Julie speaks to her financial adviser**



## If Julie establishes a LifeIncome...

Julie's financial adviser recommends she establish a non-superannuation LifeIncome using **\$200,000 from her bank account** and **her \$58,000 managed fund**.



### Julie's first year income position...

	Without LifeIncome	With LifeIncome
LifeIncome	\$0	\$24,130
Age Pension	\$16,832	\$23,605
Account-based pension	\$13,680	\$13,680
Cash at bank drawdown	\$5,360	\$200
<b>Total</b>	<b>\$35,872</b>	<b>\$61,615</b>



Based on a LifeIncome policy for Julie by investing \$258,000 into a non-superannuation LifeIncome with a LifeBooster 5% rate. There are no fees and costs on the income paid from LifeIncome in the first financial year. The fees and cost of LifeIncome impact the amount of annual income received, after the first financial year. No adviser fees have been charged and social security rates and thresholds are valid at 20/03/2026. Account-based pension assumes minimum drawdown of 6% per annum. Cash at bank and managed fund assumes 2% drawdown for Julie's first year income position.

## Julie's Age Pension assessment

LifelIncome is defined as an 'asset-tested income stream (lifetime)' product for social security purposes and provides the potential to access some or more of the Age Pension and ancillary benefits such as discounted council rates and cheaper medicine under the Pharmaceutical Benefits Scheme.

	Without LifelIncome	With LifelIncome
Assessable income	\$14,836	\$20,929
Assessable assets	\$506,000	\$402,800
<b>Age Pension income (Assets tested)</b>	<b>\$16,832</b>	<b>\$23,605</b>



## Julie's outcomes...



Uplift of \$25,743 in year 1 with \$10,000 in savings for emergencies



Uplift of \$6,773 in Age Pension in year 1



Generate regular income with the option to select monthly or fortnightly payments from LifeIncome



Created an additional income stream guaranteed for life on top of the Age Pension





## Evolving from the traditional bucket strategy

Stronger foundations, less sequencing risks

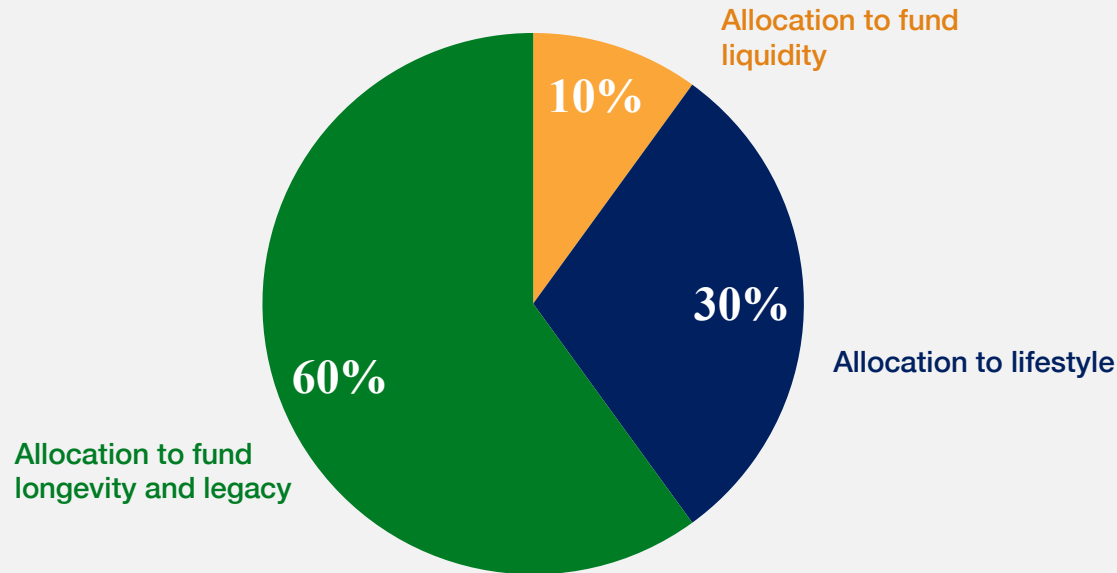




# Letting your clients' **LifeIncome** and **Age Pension** do more heavy lifting

## Typical bucketing approach

One income source doing most of the heavy lifting

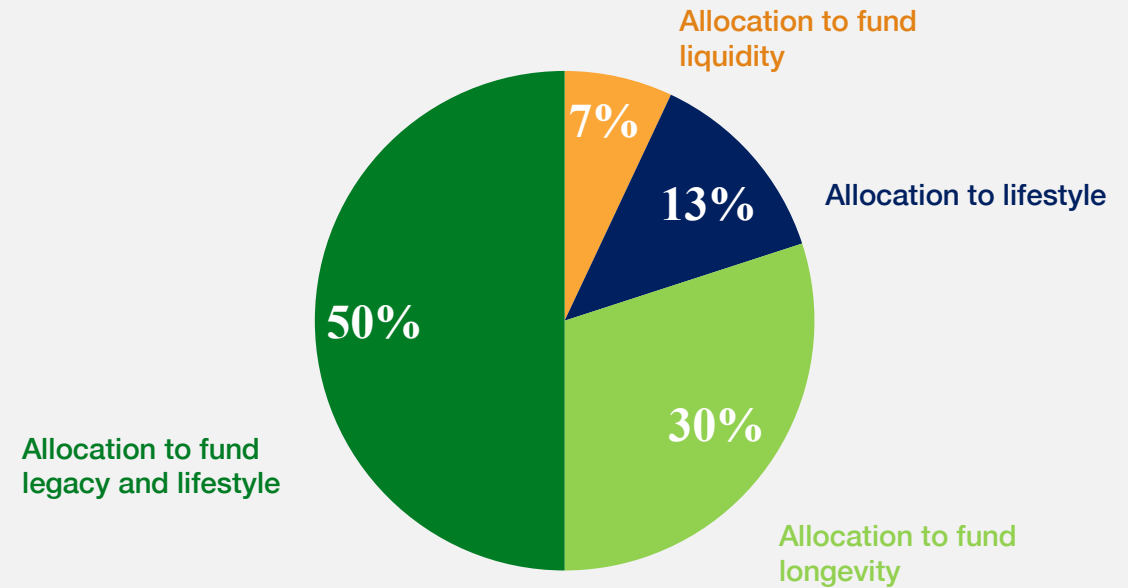


- Cash bucket 10% — 1–2 yrs income
- Medium bucket 30% — defensive / balanced
- Long-term bucket 60% — growth assets

Illustrative purposes only

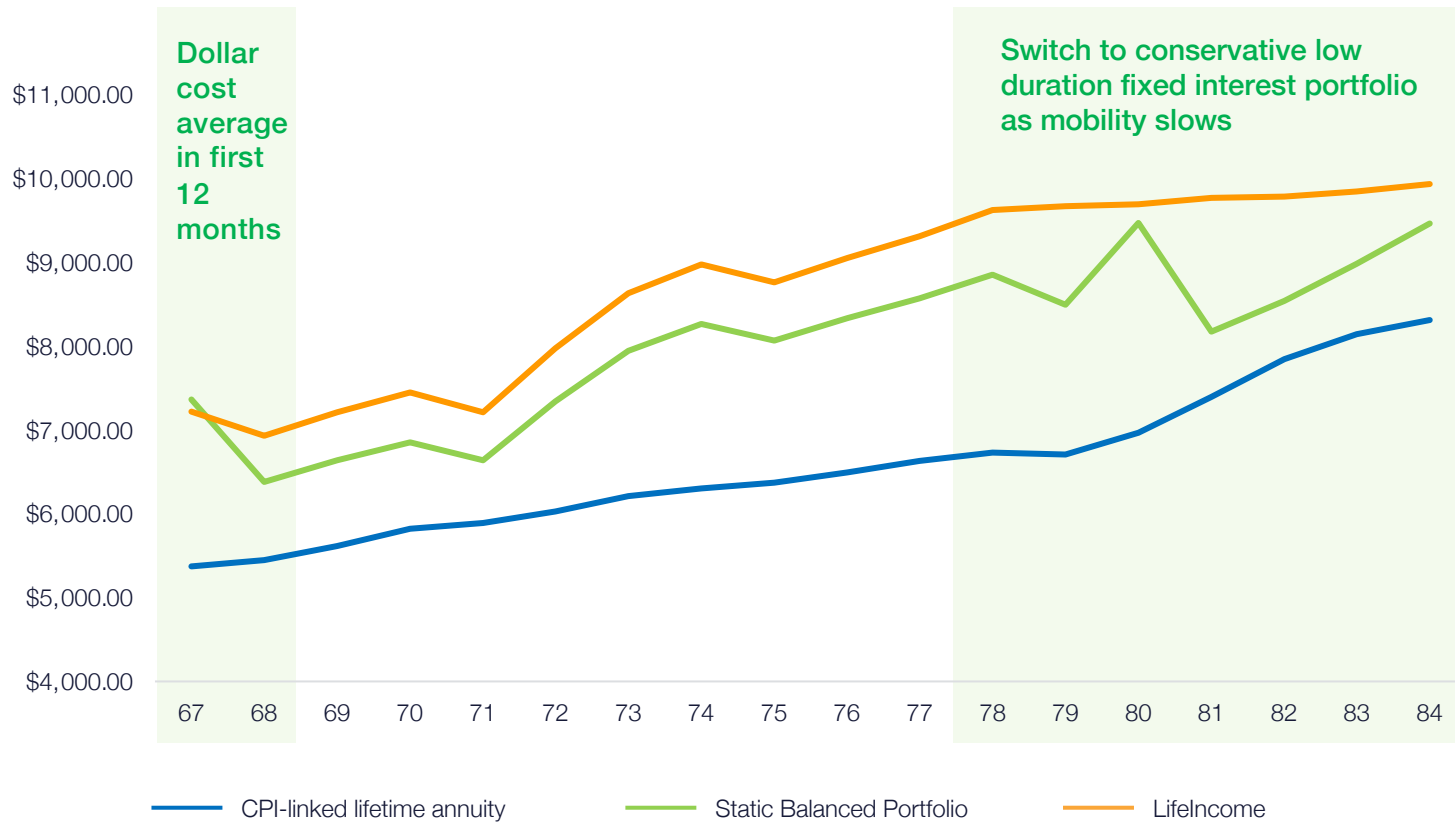
## Purposed allocated bucketing approach

Multiple income sources sharing the heavy lifting



- Cash bucket 7% — top-up income reserve 3 – 5 yrs income
- Medium bucket 13% — more defensive. Less sequencing risk
- LifeIncome 30% — Can increase risk with no risk of running out of regular income during the financial year
- Long-term bucket 50% — higher growth/risk budget

# The power of combining Lifeline investment-linked portfolio design



## Flexibility to adapt portfolio to clients' circumstances

Not locked into a static allocation.

Using dollar cost averaging and different investment styles during your client's life.

No static benchmark weightings or inflation only products.

Assuming a 67 year old male investing \$100,000 into Lifeline with a LifeBooster rate of 5%. Investment return for Static Balanced Portfolio and Lifeline is based on a 60/40 model portfolio consisting, 30% Bloomberg Global Aggregate Index, 10% Bloomberg Ausbond Composite Index, 21% MSCI World Ex Australia Index AUD, 14% MSCI World Ex Australia Index Local Currency, 25% S&P ASX 300 Index from 1 July 2008. Lifeline assumes Dollar Cost Averaging in the first 12 months and switching investment option to a fixed interest portfolio in year 78. Past performance is not a reliable indicator of future performance. Returns are after the effects of all fees.



Case study  
**Optimising retirement income**





## Meet Joseph...

**Age** 67

**Situation** entering retirement





## Joseph's situation...

Joseph wants to maximise his annual retirement income.

He currently has:

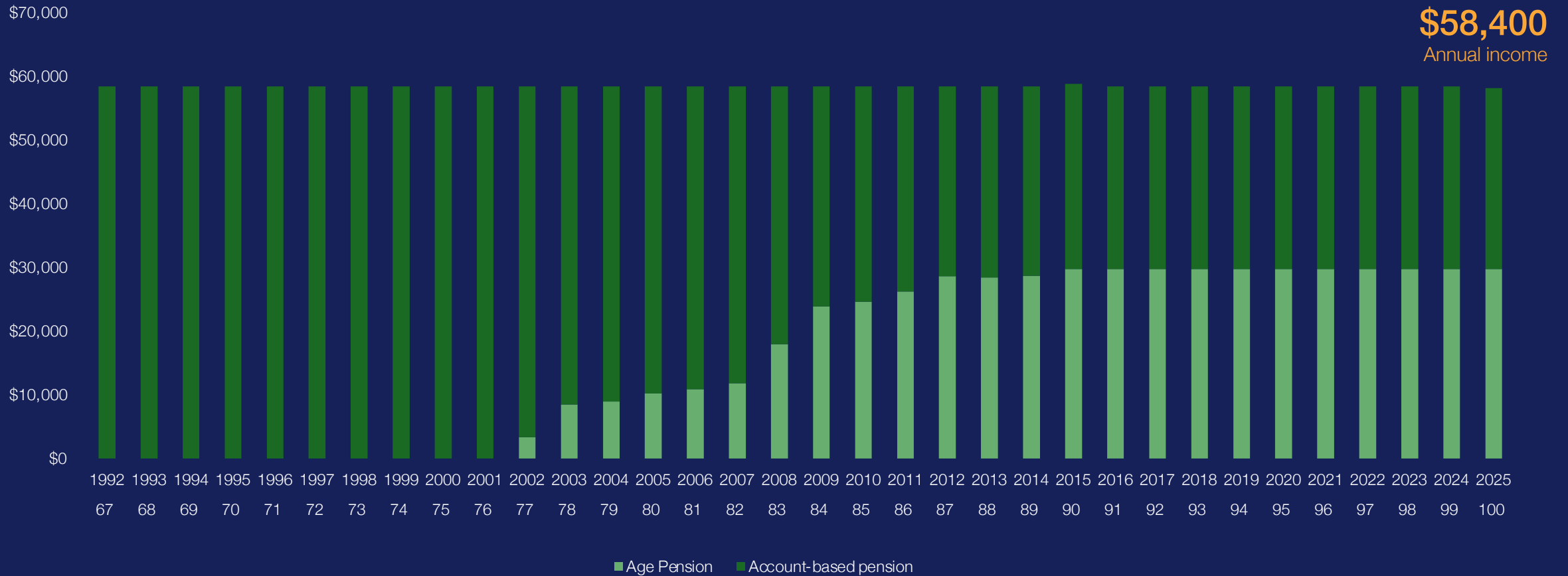
Superannuation balance	\$700,000
Other non-deemed assets	\$50,000

Joseph speaks to his financial adviser to understand how he can maximise his retirement income by investing his superannuation balance into an account-based pension.





## Option 1: What if Joseph establishes an account-based pension with a 50/50 portfolio allocation?



Assumptions: This graph illustrates the annual income for Joseph, a 67-year-old male, with a superannuation balance of \$700,000 and \$50,000 non-deemed assets. 100% of superannuation balance invested into an Account-based pension with an administration expense of 0.50% p.a.. Investing into a 50/50 diversified index fund portfolio with a 0.20% p.a. investment management fee. The portfolio contains 22% Bloomberg Ausbond Composite Index, 48% Bloomberg Global Aggregate Hedged (AUD) Index, 12% S&P ASX All Ordinaries Index, 12.5% MSCI World Ex Australia Index, 5.5% MSCI World Ex Australia Index (Local Currency). Using historical returns commencing 1<sup>st</sup> July 1991. Past performance is not a true indicator of future performance. Annual income shown in real dollars. Social security rates and thresholds as of 20<sup>th</sup> September 2024.

## Joseph's solution...

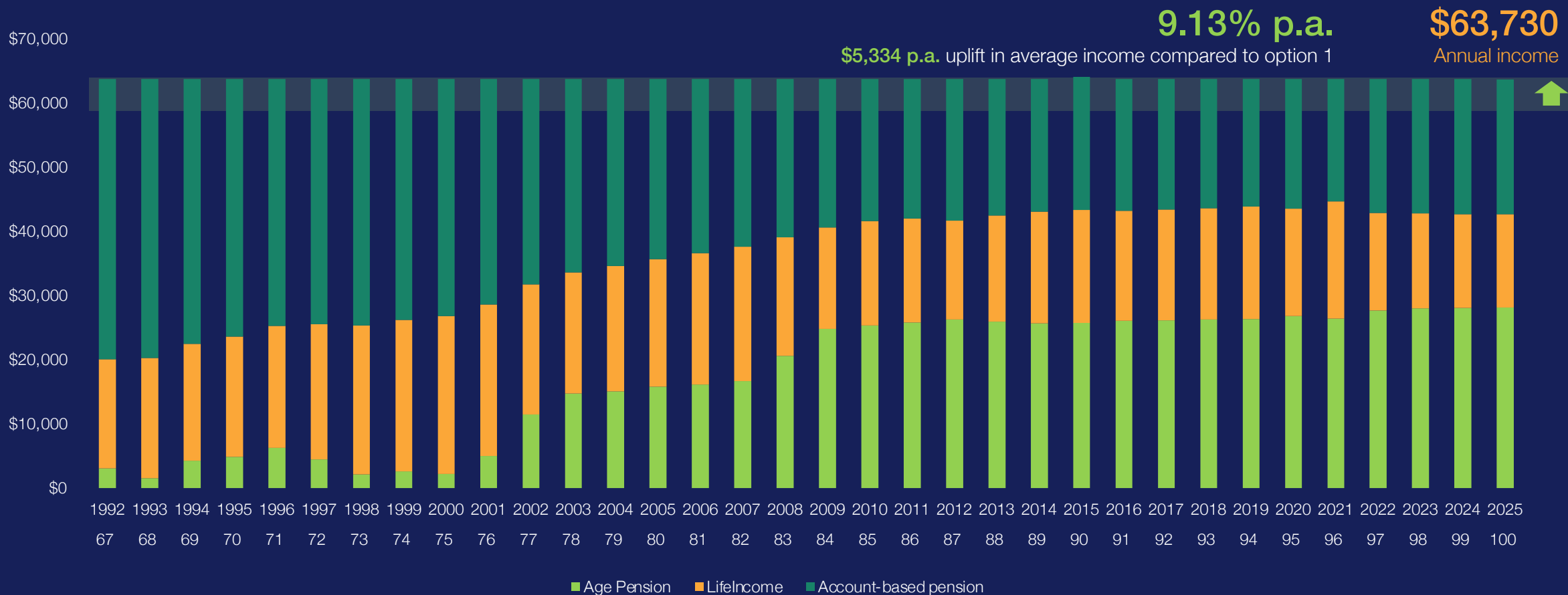
Joseph would also like to achieve a higher annual income every year.

Given Joseph's assessable assets, his financial adviser recommends investing 33% of his superannuation balance into Lifeline to gain immediate access to the Age Pension and ancillary benefits.





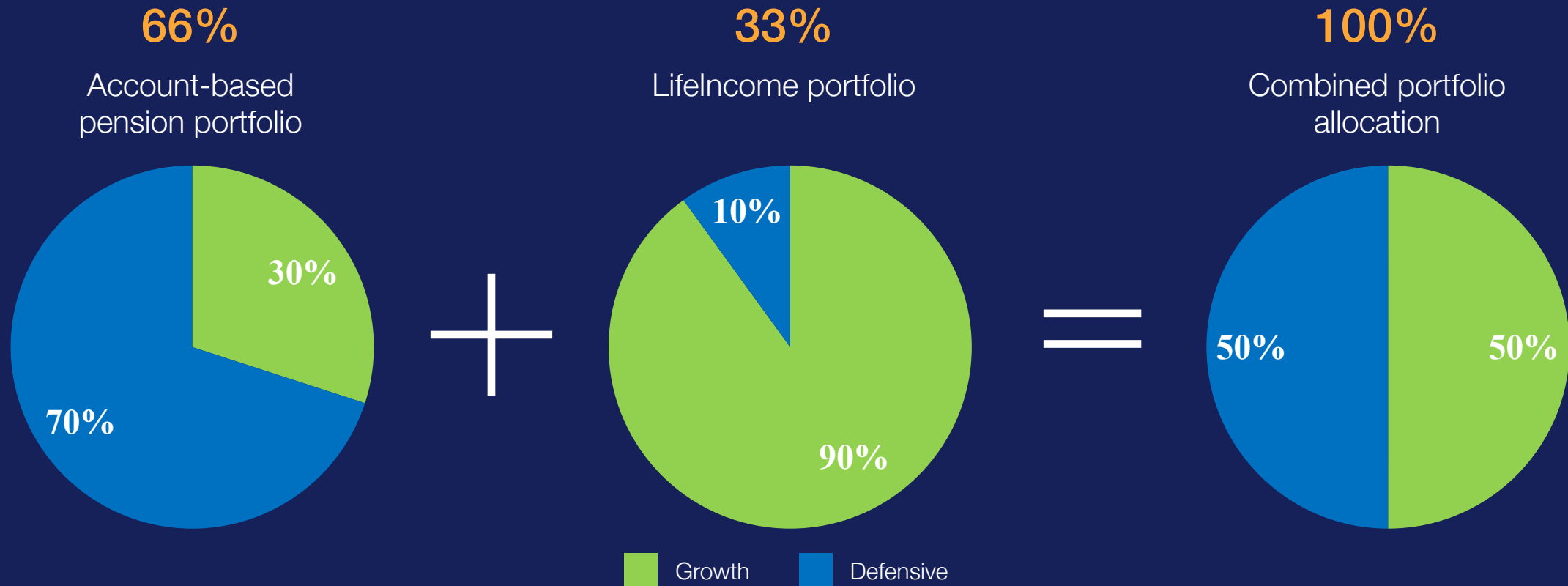
## Option 2: What if Joseph allocates a 50/50 portfolio allocation to both LifeIncome and an account-based pension?



Assumptions: This graph illustrates the annual income for Joseph, a 67-year-old male, with a superannuation balance of \$700,000 and \$50,000 non-deemed assets. Allocation 33.33% of the superannuation balance to LifeIncome, with a starting income rate of 7.3127%, and an administration fee of 0.92%. Investing into a 50/50 diversified index fund, with a 0.09% p.a. investment management fee. Remaining superannuation balance invested into an Account-based pension with an administration expense of 0.50% p.a., investing the same 50/50 diversified index fund portfolio with a 0.20% p.a. investment management fee. The portfolio contains 22% Bloomberg Ausbond Composite Index, 48% Bloomberg Global Aggregate Hedged (AUD) Index, 12% S&P ASX All Ordinaries Index, 12.5% MSCI World Ex Australia Index, 5.5% MSCI World Ex Australia Index (Local Currency). Using historical returns commencing 1<sup>st</sup> July 1991. Past performance is not a true indicator of future performance. Annual income shown in real dollars. Social security rates and thresholds as of 20 September 2024.

## Did you know... You can further optimise retirement income through product investment allocation

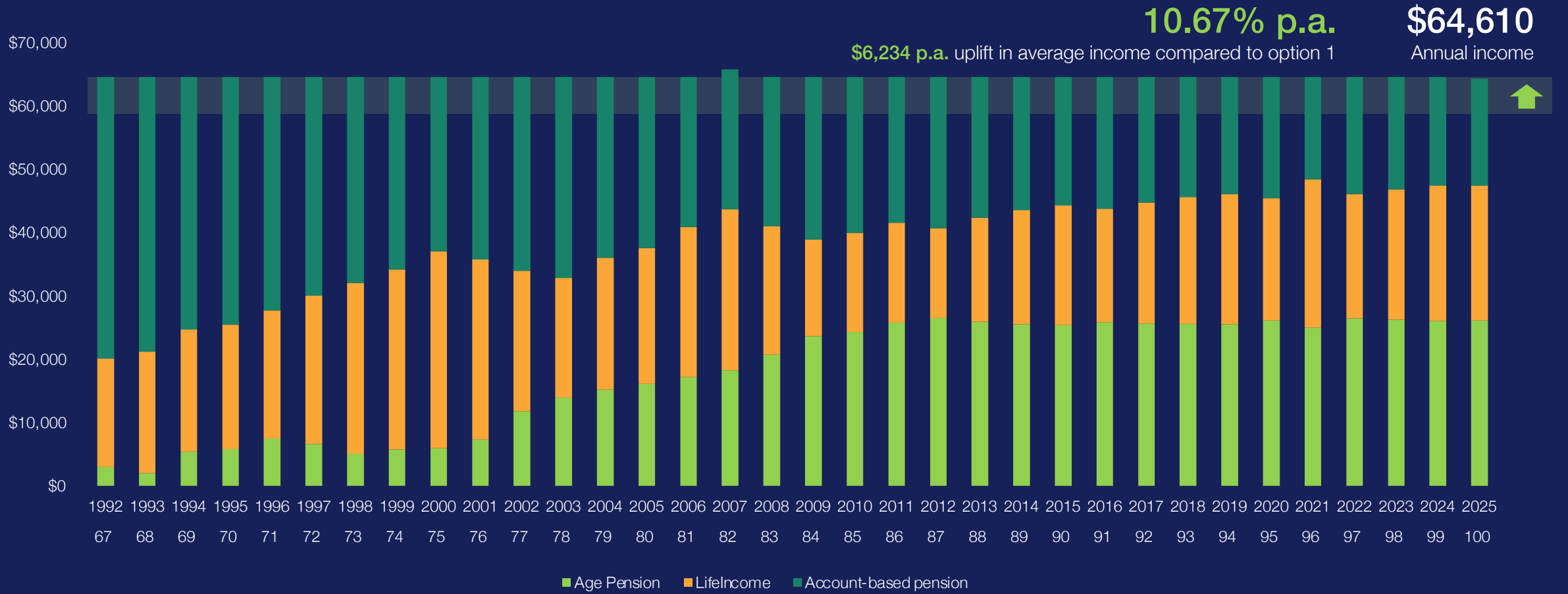
With LifeIncome, under the assets test, only 60% of your investment amount is assessed<sup>1</sup>. Joseph's financial adviser projects how he can benefit from increasing the risk allocation of his LifeIncome portfolio while decreasing the risk allocation in his account-based pension. By doing so, he is able to maintain an overall 50/50 portfolio allocation while having alternative risk profiles.



1. From age 85, or after a minimum of five years from date of commencement, whichever is later, only 30% is assessed.



# Option 3: Joseph's outcome by optimising risk allocations across products whilst maintaining same overall allocations



Assumptions: This graph illustrates the annual income for Joseph, a 67-year-old male, with a starting superannuation balance of \$700,000 and \$50,000 non-deemed assets. Allocation 33.33% of the superannuation balance to LifeIncome, with a starting income rate of 7.3127%, and an administration fee of 0.92%. Investing into a 90/10 diversified index fund, with a 0.09% p.a. investment management fee. The portfolio contains 3% Bloomberg Ausbond Composite Index, 7% Bloomberg Global Aggregate Hedged (AUD) Index, 36% S&P ASX All Ordinaries Index, 38% MSCI World Ex Australia Index, 16% MSCI World Ex Australia Index (Local Currency). Remaining superannuation balance invested into an Account-based pension with an administration expense of 0.50% p.a., investing into a 30/70 portfolio with a 0.20% p.a. investment management fee. The portfolio contains 22% Bloomberg Ausbond Composite Index, 48% Bloomberg Global Aggregate Hedged (AUD) Index, 12% S&P ASX All Ordinaries Index, 12.5% MSCI World Ex Australia Index, 5.5% MSCI World Ex Australia Index (Local Currency). Using historical returns commencing 1<sup>st</sup> July 1991. Past performance is not a true indicator of future performance. Annual income shown in real dollars. Social security rates and thresholds as of 20 September 2024.

## Strategy uplift from optimising risk allocations across products

	Cumulative income		Account-based pension balance		Cumulative income plus account-based pension balance		Uplift from strategy	
	Option 1	Option 3	Option 1	Option 3	Option 1	Option 3		
85	\$1,109,600	\$1,228,777	\$296,087	\$220,102	\$1,405,687	\$1,448,879	\$43,192	3.07%
86	\$1,168,000	\$1,293,387	\$277,635	\$205,514	\$1,445,635	\$1,498,901	\$53,266	3.68%
87	\$1,226,400	\$1,357,997	\$248,734	\$188,009	\$1,475,134	\$1,546,006	\$70,872	4.80%
88	\$1,284,800	\$1,422,607	\$251,826	\$182,326	\$1,536,626	\$1,604,932	\$68,306	4.45%
89	\$1,343,200	\$1,487,217	\$248,353	\$175,649	\$1,591,553	\$1,662,866	\$71,313	4.48%
90	\$1,402,015	\$1,551,827	\$235,284	\$163,419	\$1,637,299	\$1,715,246	\$77,947	4.76%
91	\$1,460,415	\$1,616,437	\$212,923	\$149,293	\$1,673,338	\$1,765,730	\$92,392	5.52%
92	\$1,518,815	\$1,681,047	\$197,473	\$134,229	\$1,716,288	\$1,815,275	\$98,987	5.77%
93	\$1,577,215	\$1,745,657	\$180,044	\$119,600	\$1,757,259	\$1,865,257	\$107,998	6.15%
94	\$1,635,615	\$1,810,267	\$163,490	\$108,358	\$1,799,105	\$1,918,625	\$119,520	6.64%
95	\$1,694,015	\$1,874,877	\$135,608	\$90,557	\$1,829,623	\$1,965,434	\$135,811	7.42%
96	\$1,752,415	\$1,939,487	\$127,356	\$82,272	\$1,879,771	\$2,021,759	\$141,988	7.55%
97	\$1,810,815	\$2,004,097	\$82,892	\$53,119	\$1,893,707	\$2,057,216	\$163,509	8.63%
98	\$1,869,215	\$2,068,707	\$56,305	\$34,693	\$1,925,520	\$2,103,399	\$177,879	9.24%
99	\$1,927,615	\$2,133,317	\$29,644	\$17,723	\$1,957,259	\$2,151,039	\$193,780	9.90%
100	\$1,985,724	\$2,197,683	\$0	\$0	\$1,985,724	\$2,197,683	\$211,959	10.67%

Assumptions: This table illustrates the annual income for Joseph, a 67-year-old male, with a superannuation balance of \$700,000 and \$50,000 non-deemed assets. Allocation 33.33% of the superannuation balance to LifelIncome, with a starting income rate of 7.3127%, and an administration fee of 0.92%. Investing into a 50/50 diversified index fund, with a 0.09% p.a. investment management fee. Remaining superannuation balance invested into an Account-based pension with an administration expense of 0.50% p.a., investing the same 50/50 diversified index fund portfolio with a 0.20% p.a. investment management fee. The portfolio contains 22% Bloomberg Ausbond Composite Index, 48% Bloomberg Global Aggregate Hedged (AUD) Index, 12% S&P ASX All Ordinaries Index, 12.5% MSCI World Ex Australia Index, 5.5% MSCI World Ex Australia Index (Local Currency). Using historical returns commencing 1<sup>st</sup> July 1991. Past performance is not a true indicator of future performance. Annual income shown in real dollars. Social security rates and thresholds as of 20<sup>th</sup> September 2024.

## Joseph's outcome...



Joseph can gain immediate access and more of the Age Pension and ancillary benefits compared to no LifeIncome



By adopting Option 3, Joseph will receive \$211,959 additional cumulative income by age 100 compared to Option 1.



More cumulative income without any additional investment risk



10.67% p.a. in additional cumulative income by optimising his risk allocations across products



# Our leading investment menu

## Lifeline

A wide range of investment options to meet investment objectives. You can hold any combination at any time.

### 29 investment options across multiple styles

- 2 x Retirement Portfolios
- 5 x Single Sector Index funds
- 8 x Pre Packaged Diversified Models
- 3 x Lower Volatility Outcome Based Funds
- 5 x Truly Active Single Sector Funds
- 1 x Inflation Linked Fund
- 3 x Responsible Investment funds
- 1 x Private Debt Fund
- 1 x Cash Fund





## Key features of Generation Life LifeIncome

### Lifetime annuities reimagined

### An immediate, investment-linked lifetime annuity

Single or reversionary

### Investment menu

29 options that can be held in any combination with **switching** at any time.<sup>1</sup>

### 0% tax environment

Investment earnings within LifeIncome are tax-free. There are tax benefits on income payments too.

### LifeBooster

More income sooner  
Choose between two LifeBooster rates of 5% and 2.5%.

### Reversionary Beneficiary

Money available to support spouse or loved one<sup>2</sup> between ages of 50 and 95.

### Death Benefit and Withdrawal Benefit

Flexibility and peace of mind.

### Dollar-cost averaging

Invest initially in cash and progressively switch into other investment options.

### Available for super<sup>3</sup> and non-super money

to investors aged at least 50-95.

### LifeIncome Flex

increases income whilst both lives are alive  
A choice of LifeIncome Flex percentages are available.<sup>4</sup>

1. Brief exclusion period applies – refer to the Product Disclosure Statement
2. When using superannuation, the reversionary must be a spouse, when non-superannuation reversionary can be any person, such as a child or sibling
3. For superannuation money, your client must have satisfied a relevant condition of release to access their preserved benefits.
4. The Withdrawal Benefit Period of LifeIncome Flex policies is six months, after which no Withdrawal Benefit is payable



# Generation Life

Highly recommended for over a decade



## Awards



## Research ratings



LifelIncome





## Thank you.

## Outthinking today.

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The Zenith CW Pty Ltd ABN 20 639 121 403 AFSL 226872/AFS Rep No. 1280401 Chant West lifetime product rating (assigned March 2025) are limited to General Advice only and have been prepared without considering your objectives or financial situation, including target markets where applicable. The rating is not a recommendation to purchase, sell or hold any product and is subject to change at any time without notice. You should seek independent advice and consider the PDS or offer document before making any investment decisions. Ratings have been assigned based on third party data. Liability is not accepted, whether direct or indirect, from use of the rating. Past performance is not an indication of future performance. Refer to [www.chantwest.com.au](http://www.chantwest.com.au) for full ratings information and our FSG.4

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## Meet Karlee and Adam

They are both 65 and entering retirement.



## Karlee and Adam's situation...

They want a reasonable income stream positioned to be sustainable and grow with her living costs.

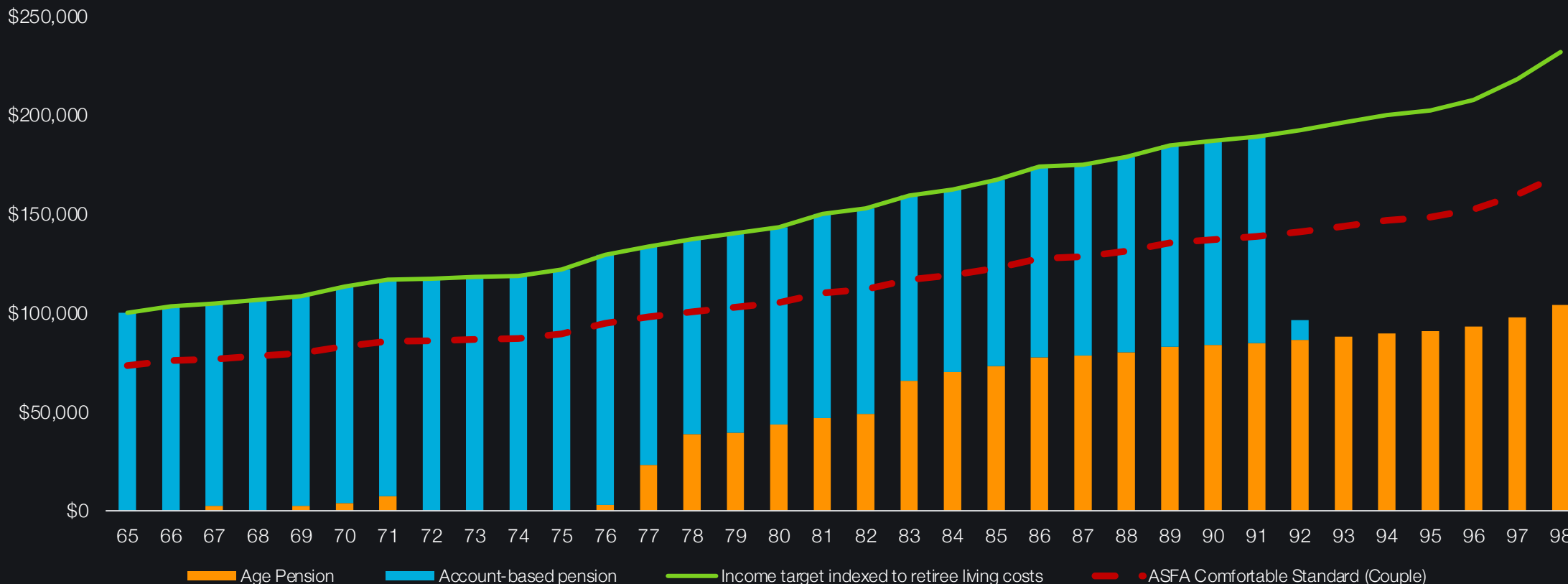
They currently have:

Combined superannuation balance	\$1,100,000
Personal assets	\$10,000

Karlee and Adam would like to have \$100,000 p.a. to retire comfortably but would like their income to grow with their living costs

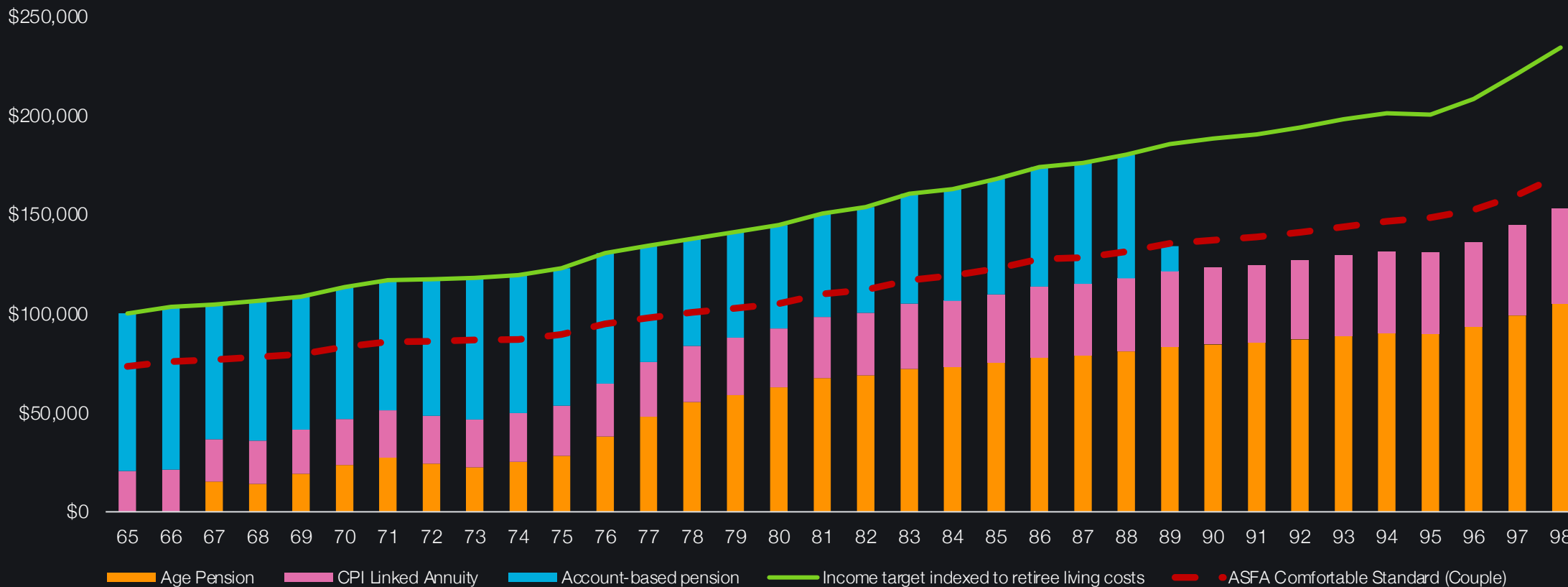


## What if Karlee and Adam solely relies on their account-based pensions



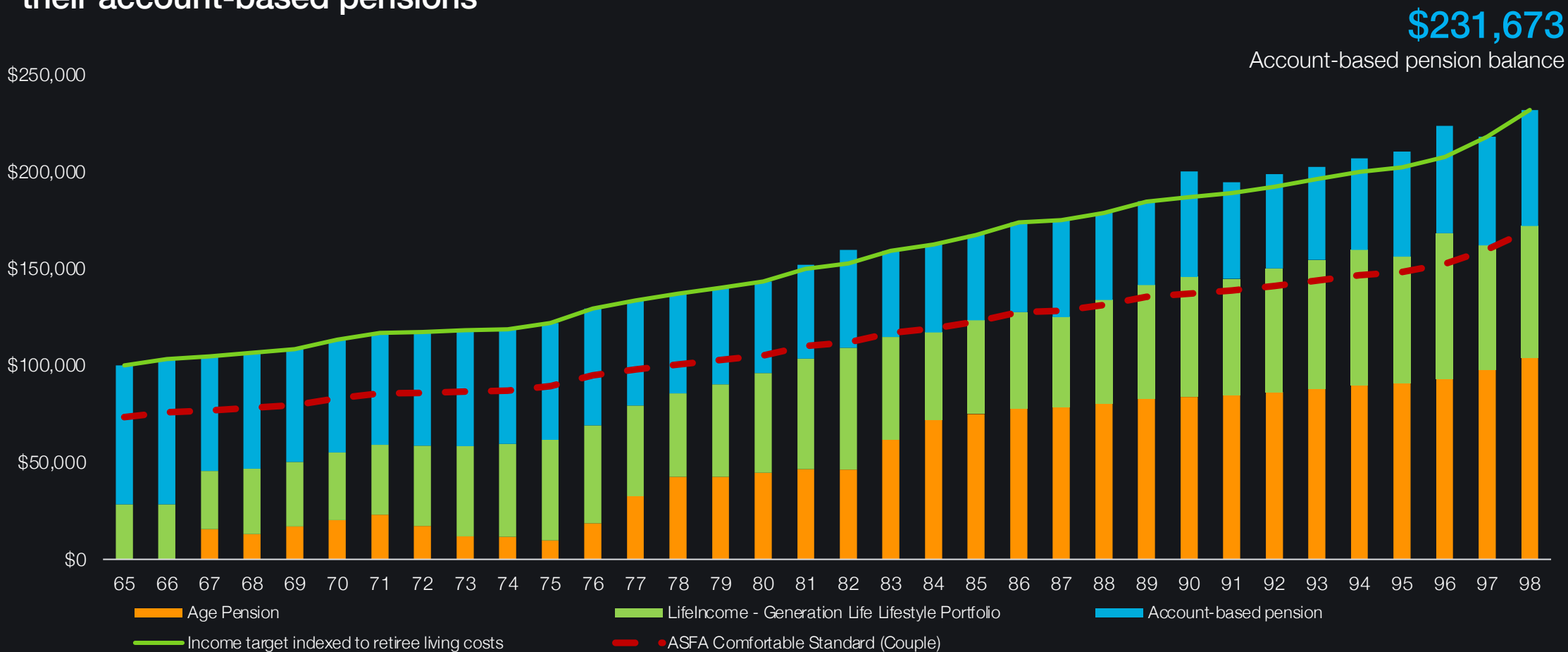
Based on a 65 year old couple with a starting superannuation balance of \$1,200,000 and \$10,000 in personal assets. Target annual income and the ASFA Retirement Standard are indexed based on historical changes in the CPI from 1990 to 1998, and the Retiree Living Cost Index from 1998 to 2023, as published by the Australian Bureau of Statistics (ABS). The ASFA Retirement Standard used is 'comfortable lifestyle' for a single person as at 30 June 2024. Annual income illustrations are shown in nominal dollars. Account-based-pension drawdown amount is to meet the target income, minimum account-based pension drawdowns do apply. Age Pension rates and thresholds are as at 20/09/2024. The illustration uses historical investment returns commencing 1st July 1990. The account-based pension invested into a 70/30 diversified index portfolio which consists of a 30% allocation to ASX All Ordinaries, 40% to MSCI World Ex Australia Index, 20% to Bloomberg Global Aggregate Bond Index (AUD Hedged) and 10% to Bloomberg Ausbond Composite Index. Estimated administration costs of 0.3% p.a. for the account-based pension. Past performance is not a reliable indicator of future performance.

# What if Karlee and Adam combines a traditional lifetime annuity with their account-based pensions



Based on a 65 year old couple with a starting superannuation balance of \$1,200,000 and \$10,000 in personal assets. Target annual income and the ASFA Retirement Standard are indexed based on historical changes in the CPI from 1990 to 1998, and the Retiree Living Cost Index from 1998 to 2023, as published by the Australian Bureau of Statistics (ABS). The ASFA Retirement Standard used is 'comfortable lifestyle' for a single person as at 30 June 2024. Allocating 40% of the superannuation balance to a CPI linked annuity using a starting income rate as of 29/10/2024. Account-based pension drawdown amount is to meet the target income, minimum drawdowns do apply. Annual income illustrations are shown in nominal dollars. Age Pension rates and thresholds are effective 20/09/2024. The illustration uses historical investment returns and CPI indexation commencing 1st July 1990. The account-based pension is invested into a 70/30 diversified index portfolio which consists of a 30% allocation to ASX All Ordinaries, 40% to MSCI World Ex Australia Index, 20% to Bloomberg Global Aggregate Bond Index (AUD Hedged) and 10% to Bloomberg Ausbond Composite Index. Estimated administration costs of 0.3% p.a. for the account-based pension. Past performance is not a reliable indicator of future performance. The means test rule for CPI Linked Annuity assumes 60% of the purchase amount is assessed as an asset until age 85.

# What if Karlee and Adam combines a LifelIncome investment-linked lifetime annuity with their account-based pensions



Based on a 65 year old couple with a superannuation balance of \$1,200,000 and \$10,000 in personal assets. Target annual income and the ASFA Retirement Standard are indexed based on historical changes in the CPI from 1990 to 1998, and the Retiree Living Cost Index from 1998 to 2023, as published by the Australian Bureau of Statistics (ABS). The ASFA Retirement Standard used is 'comfortable lifestyle' for a single person as at 30 June 2024. Allocating 40% of the superannuation balance to LifelIncome and selecting LifeBooster 5%. Account-based pension drawdown amount is to meet the target income, minimum drawdowns do apply. Annual income illustrations are shown in nominal dollars. Age Pension rates and thresholds are effective 20/09/2024. The illustration uses historical investment returns commencing 1st July 1990. LifelIncome portfolio using back-tested returns of the Generation Life Lifestyle Portfolio. The account-based pension invested into a 70/30 diversified index portfolio which consists of a 30% allocation to ASX All Ordinaries, 40% to MSCI World Ex Australia Index, 20% to Bloomberg Global Aggregate Bond Index (AUD Hedged) and 10% to Bloomberg Ausbond Composite Index. Estimated administration costs of 0.3% p.a. for the account-based pension and 0.92% p.a. for LifelIncome. When commencing a LifelIncome, there are no fees on income from LifelIncome in the first financial year, or part there-of. Past performance is not a reliable indicator of future performance. The means test rule for LifelIncome assumes 60% of the purchase amount is assessed as an asset until age 85.



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## Karlee and Adam's outcome...

They are both 65 and entering retirement.

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They will have an account-based pension balance of \$231,673 at age 100

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\$153,355 more Age Pension by age 100

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They will also never experience income below their target income

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They will also receive an additional cumulative income of \$859,821 by age 100



## 6 key differences to CPI-linked lifetime annuities

Able to access \$8,195 of Age Pension in year 1 and ancillary benefits

Additional income of \$19,161 in year 1 and maximise their retirement income

\$252,424 additional Age Pension by age 85 bringing forward access by 14 years

Additional cumulative Age Pension of \$577,366 by age 100

Additional cumulative income of \$699,594 by age 100

Payback period<sup>1</sup> of 10 years