Vanguard Super SaveSmart Product Disclosure Statement – Important Update to the Superannuation Guarantee and how your super is taxed

Issued by Vanguard Super Pty Ltd (ABN 73 643 614 386 / AFS Licence 526270) as the trustee of Vanguard Super

1 July 2026

Important Update
From 1 July 2026, there will be updates to how your super is taxed which is disclosed in the Your Super Guide (**Super Guide**) for the Vanguard Super SaveSmart Product Disclosure Statement (**PDS**) dated 1 October 2025.

About this Important Update

This update has been issued by Vanguard Super Pty Ltd (**Trustee**, **Vanguard**, **we** or **us**) for the purposes of updating information in the Super Guide dated 1 October 2025. This update should be read in conjunction with the Super Guide and PDS.

Updates to the Super Guide

The updated information is shown in **red** so that you can easily see what has changed.

1. On page 19 of the Super Guide, the **'Eligibility'** and **'The co-contribution amount'** sections are restated with the updates below.

   Eligibility
   To qualify for the Government co-contribution in the **2026-27** financial year, you need to:

   - earn less than **$64,293** for the financial year (this figure is indexed annually)
   - earn at least 10% of your total income from operating a business or as an employee – or both
   - be a permanent resident of Australia (some exceptions apply for New Zealand citizens and some holders of prescribed temporary visas)
   - be less than age 71 at the end of the financial year
   - lodge an income tax return for the financial year in which you made the contribution
   - have a total super balance less than the general transfer balance cap at the end of the previous financial year (this is **$2.1** million as at **30 June 2026** – you can find out more about the transfer balance cap on page 47), and
   - make an after-tax contribution into your super account (without going over the after-tax contributions cap for the year) – and remember, we need your TFN before we can accept the contribution.

The co-contribution amount

Providing you meet the eligibility requirements above, the amount you'll receive depends on how much you earn and how much you contribute. If you earn less than **$49,293** (the lower limit for the **2026-27** financial year), then for every dollar you contribute, the Government will add 50 cents, up to a maximum of $500.

The amount of the Government co-contribution reduces for every dollar you earn over the lower limit, and nothing is payable once you earn more than **$64,293** (the higher limit for the **2026-27** financial year).

You don't need to apply for the Government co-contribution. Once you lodge your tax return for the relevant year, the ATO will automatically pay any eligible co-contribution into your account.

2. References to the duration of the financial year have been updated from 2025-26 to **2026-27** in the sections below. All other information remains unchanged.
   - Page 44 of the Super Guide: **'Super, tax and you'**
   - Page 48 of the Super Guide: **'Lump sum withdrawals and taxed elements'** ***(table)***.

3. On pages 45 of the Super Guide, the following table is restated with the updates below.

Contribution type	Tax treatment 2026-27	How and when tax is paid
Before-tax, or 'concessional', contributions, such as Superannuation Guarantee (SG) contributions from your employer, salary sacrifice contributions, and personal deductible contributions	Before-tax contributions, up to the contribution cap of **$32,500** a year, are taxed at 15%.	If tax applies to your contribution it will usually be deducted from your account when your contribution is received.
After-tax, or 'non-concessional', contributions, such as any personal non-deductible contributions you make, and spouse contributions	After-tax contributions, up to the contributions cap of **$130,000** a year, are tax-free.	Not taxed when they're received by the Fund.

4. On page 45 of the Super Guide, after the '**Additional tax if you earn more than $250,000**' section, the following new section is inserted:

Additional tax if your balance is over $3m

Division 296 tax may apply where your total super balance exceeds $3 million, resulting in an additional 15% tax on a portion of your superannuation earnings, increasing to an additional 25% for earnings attributable to balances above $10 million.

The tax applies only to the portion of earnings attributed to balances above these thresholds and is assessed to you personally by the ATO.

No additional tax will apply if your total super balance is below $3 million.

5. On pages 45-46 of the Super Guide, the following paragraphs in the **'The concessional contribution cap'** section are restated with the updates below.

You can make up to **$32,500** in concessional contributions in total across all your super accounts (if you have more than one) in the **2026-27** financial year – and these contributions will be taxed at 15%.

If you go over the cap of **$32,500**, the excess amount will be included in your assessable income and taxed at your marginal tax rate (with a 15% tax offset).

6. On page 46 of the Super Guide, the following paragraphs in the **'Carry forward cap amounts'** section are restated with the updates below.

   You may be eligible to make use of the carry forward rules where the following conditions are met:

   - in the previous five years, you have unused concessional cap amounts, and
   - the combined balance of all your super accounts at the end of the last financial year was less than $500,000.

   Unused concessional contribution cap amounts are available for a maximum of five years. If they're not used within that time they'll expire – for example, a **2021-22** unused cap amount that is not used by the end of **2026-27** will expire. The first year from which unused concessional contribution cap amounts can accrue is the **2021-22** financial year. Visit the ATO's website at **ato.gov.au** to learn more about carrying forward concessional contributions.

7. On pages 46 of the Super Guide, the following paragraph in the **'The non-concessional contribution cap'** section is restated with the updates below.

   You can make up to **$130,000** in after-tax (non-concessional) contributions in the **2026-27** financial year. This is subject to the balance of all your super accounts being less than the transfer balance cap (set at **$2.1** million for the **2026-27** financial year).

8. On pages 46-47 of the Super Guide, '**The 'bring forward' rule for under 75s**' section is restated with the updates below.

   If you're under age 75 at any time during a financial year, you may be able to 'bring forward' up to two years of future after-tax contributions. The total super balance thresholds for determining eligibility are set out in the table below.

   The 'bring forward' rule effectively allows you to bundle three years' worth of after-tax contributions into this financial year. This means you could contribute up to **$390,000** in after-tax contributions in the **2026-27** financial year.

   Once you trigger the 'bring forward' arrangement, any change to the non-concessional contributions cap for the 'bring forward' period doesn't apply to you. The 'bring forward' cap amount is based on the cap in the first year of the period.

   For example, if the non-concessional contributions cap in the second and third year of a 'bring forward' period changed to **$130,000** due to indexation, your non-concessional cap will still be **$360,000** (**$120,000** x 3 years) and not **$380,000** (**$120,000** + **$130,000** + **$130,000**).

   Note that this would prevent you from making further after-tax contributions for the next two financial years, as you have effectively brought them forward into this financial year. Any further after-tax contributions would be considered in excess of the cap, and would be taxed accordingly.

Total super balance as at 30 June 2026	Contribution and bring forward available
Less than $1.84 million	Access to **$390,000** cap (over three years)
Greater than or equal to $1.84 million and less than $1.97 million	Access to **$260,000** cap (over two years)
Greater than or equal to $1.97 million and less than $2.1 million	Access to **$130,000** cap (no bring forward period, general non-concessional contributions cap applies)
Greater than or equal to $2.1 million	Nil

Source: ato.gov.au

9. On page 47 of the Super Guide, the following paragraph in the **'The transfer balance cap'** section is restated with the updates below.

   In **2026-27** the transfer balance cap is **$2.1** million. It increases from time-to-time. You can see how you're tracking towards the cap through the ATO services tab of your myGov account. Visit the ATO's website at **ato.gov.au** to find out more about the cap and how it works.

If you have any questions, please contact Vanguard Client Services.
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This Important Update has been prepared and issued on 1 July 2026. The information in this update is general information only and doesn't take into account your personal objectives, financial situation or needs. For that reason, you may consider seeking financial advice suited to your own circumstances. Before making any investment decisions, you should refer to the relevant Product Disclosure Statement and Target Market Determination available at vanguard.com.au/super or by calling 1300 655 101.

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