



Workday Superannuation Salary Sacrifice Policy

Salary sacrifice is an arrangement where Workday employees in Australia can forego a component of their cash salary in return for specific non-cash benefits of equivalent value. Payments are made from the salary pre-tax thereby reducing the taxable income. These payments are said to be Workday provided benefits.

The purpose of salary packaging is to provide Workday employees with the flexibility of managing their remuneration package to meet their personal and financial needs whilst advantaging employees from beneficial tax legislation to maximize their net earnings.

Participation in salary packaging is voluntary.

Workday reserves the right to amend the Salary Sacrifice Policy and the guidelines and conditions applicable to the policy at any time.

Who is eligible?

The policy applies to all full time and part time employees. It does not apply to casual employees, except where stated.

The company reserves the right to apply limits to salary packaging. This may include restrictions and limits on benefits offered to an employee. Such restrictions and limits include those which ensure the business does not exceed thresholds governed by various tax regulations and other legislation.

The availability of salary packaging, benefits and all other terms and conditions of salary packaging may be varied or withdrawn at any time at the discretion of the company.

Please be aware that your eligibility for salary packaging is subject to meeting minimum award rate levels and also subject to manager authorisation.



What are the benefits for employees?

- Reduction in taxable income and therefore income tax savings
- Opportunity to gain extra value from your salary

Salary packaging is governed by various legislative instruments including the Income Tax Assessment Act 1936, The Income Tax Assessment Act 1997 and the Fringe Benefits Tax Assessment Act 1986.

This company policy sets out the type of benefits which may be included in the employee's salary package.

Salary packaging is based on current tax legislation and regulations and it is beyond the control of the company if there are any changes to such rules. The company will continue to review salary packaging arrangements to ensure all relevant legislative compliance and changes to same are adhered to.

For general information in relation to current legislation and regulations please contact the Australian Tax Office at www.ato.gov.au

Leave without pay and salary packaging

- The employee may be required to cease or suspend any salary packaging arrangements during any period of unpaid leave, including parental leave.
- The employee has responsibility to immediately notify the payroll administrator where salary packaging arrangements will be affected as a result of the approval of paid or unpaid leave.
- Leave application must be submitted via Workday system and approved by manager prior to the commencement of the leave period to enable the necessary arrangements to be made.



How this benefit works

An employee who would like to participate in a voluntary superannuation salary sacrifice arrangement is encouraged to seek independent financial advice before doing so.

If an employee elects to participate in a voluntary superannuation salary sacrifice arrangement the employee will need to complete and submit an updated Additional Payroll Data task for Voluntary Superannuation. The request will then be actioned in the next available pay period providing that sufficient notice has been provided to Workday.

Only future income can be sacrificed. The amount of additional superannuation contributions (pre-tax or post-tax) can be changed at any time (1 July to 30 June). All superannuation contributions are paid in arrears.

Pre-tax superannuation contributions

Making pre-tax superannuation contributions (superannuation salary sacrifice) is attractive as it allows an employee to build up their superannuation savings together with offering tax savings.

Employees may nominate to contribute a fixed amount (% or \$ amount) of their base salary to their superannuation account throughout the year. Employees need to be aware of various concessional and non concessional caps.

General advice about these limits is available via the Australian Taxation Office website at:

<https://www.ato.gov.au/individuals/super/super-and-tax/tax-on-contributions/#Beforetaxsupercontributions>

Employees are strongly encouraged to seek their own independent income tax and superannuation advice as to whether superannuation salary sacrificing is right for the employee. The company cannot provide employees with personal taxation and superannuation advice.

Post-tax superannuation deductions

Post-tax superannuation deductions are also available and depending on your level of gross assessable income, may result in eligibility for the Australian Government's Superannuation Co-contribution scheme.



Again, Workday encourages employees to seek their own independent superannuation advice as to whether the employee is entitled to this scheme.

General advice about this scheme is available via the Australian Taxation Office website at:

<https://www.ato.gov.au/individuals/super/super-and-tax/tax-on-contributions/#Aftertaxsupercontributions>

Contribution Limits

Whilst the company strongly encourages employees to seek their own independent superannuation and taxation advice, employees may refer to the Australian Taxation Office website at: [https://www.ato.gov.au/Individuals/Super/In-detail/Withdrawing-and-paying-tax/Super-contributions---too-much-can-mean-extra-tax/?anchor=Your age and super contributions caps#Your age and super contributions caps](https://www.ato.gov.au/Individuals/Super/In-detail/Withdrawing-and-paying-tax/Super-contributions---too-much-can-mean-extra-tax/?anchor=Your%20age%20and%20super%20contributions%20caps#Your%20age%20and%20super%20contributions%20caps) for some general information on contribution limits.

Employees should be mindful of the annual contribution limits.

Employees should seek their own taxation advice as to the current tax rates and concessional caps before making a superannuation salary sacrifice election. Employees are solely responsible for any taxation implications that may arise at any time as a result of their election.

Workday Employee Superannuation Salary Sacrifice Election Form

To commence voluntary employee superannuation contributions through a salary sacrificing arrangement, an employee must complete, sign and return a Workday Employee Superannuation Salary Sacrifice Election Form to the company. The form must be completed and submitted by an employee prior to commencing a salary sacrifice arrangement.

The completed Workday Employee Superannuation Salary Sacrifice Election Form will form a binding agreement between Workday and the employee and when completed and submitted, the employee agrees to be bound by the salary sacrifice arrangement on the terms contained in the Workday Employee Superannuation Salary Sacrifice Election Form and this Policy as amended from time to time.



By completing, signing and submitting a Workday Employee Superannuation Salary Sacrifice Election Form, the employee acknowledges that their cash salary may be less than provided for under the applicable industrial instrument. Where this occurs, the employee accepts that Workday will have no liability in respect of that shortfall. Additionally, the employee recognises and accepts that Workday has no liability for the employee's taxation obligations or any other consequences that result from entering into a salary sacrificing arrangement.

If an employee elects to amend or terminate a salary sacrificing arrangement at any time a new Workday Employee Superannuation Salary Sacrifice Election Form must be completed, signed and submitted by the employee to effect the change. Employees must note that advanced notice (as detailed in the form) is required before an amendment or termination of the salary sacrifice arrangement can be effected.

If an employee breaches any terms of this policy or the Workday Employee Superannuation Salary Sacrifice Election Form terms, the employee will be required to compensate Workday for costs incurred as a result of the breach. Workday reserves the right to terminate an employee's salary sacrifice arrangement in the event that the agreement between the employee and Workday in respect to the arrangement has been breached.

Copy of the Workday Employee Superannuation Salary Sacrifice Election Form can be found [Here](#).

Workday recommends that employees seek their own independent advice as to whether or not salary sacrificing is right for the employee.