

Living Super Annual Report 2019 – 20



¹SuperRatings does not issue, sell, guarantee or underwrite this product. Go to superratings.com.au for details of its rating criteria.
Canstar awarded 'Most Satisfied Customers - Super Fund Award 2020' to ING Superannuation fund in May 2020.

Contents

CEO report	1
Legislative changes and product updates	2
Market update	5
Living Super investments	8
Abridged financial statements	17
Finally	18
Contact us	21
Living Super partners	22

Diversa Trustees Limited ABN 49 006 421 638, AFSL 235153, RSE L0000635 is the Trustee of the ING Superannuation Fund ABN 13 355 603 448 (Fund) and the issuer of interests in the Fund. ING Living Super is a product issued out of the Fund. The insurance cover offered by the Fund is provided by MetLife Insurance Limited ABN 75 004 274 882 AFSL 238096. ING, a business name of ING Bank (Australia) Limited ABN 24 000 893 292, AFSL 229823, is the Promoter of the Fund. Other products are issued by ING. The Trustee is required to provide you with information that reasonably allows you to understand your benefit entitlements. This Annual Report to members 2019-2020, which provides general information about the performance, management and financial condition of the Fund, should be read in conjunction with your Annual Statement as at 30 June 2020. The information in this Annual Report is of a general nature only and doesn't consider your particular investment objectives, circumstances, financial situation or needs and you should consider whether it is appropriate for you. You should consider the Product Disclosure Statement and Financial Services Guide available at ing.com.au in deciding whether to acquire, or to continue to hold, the product.



It's your other savings account.

Remember, Living Super is your other savings account – but for the long term. This report shows how the market and Living Super have performed in the past financial year. If you have any questions, speak with your financial adviser or call **133 464** and we'll be happy to help.

Visit ing.com.au



CEO report

CEO summary – Living Super

I'm pleased to see we've delivered a good year for our Living Super customers, despite the challenges we have all faced due to COVID-19. 60,000 Australians continue to look to us to help them with their retirement savings and our Fund's assets have held steady at \$2.7bn.

Supporting customers when they need it most

The impact of COVID-19 continues to affect many of our customers and we're committed to helping them throughout this difficult time. Our dedicated Living Super COVID-19 support service includes up-to-date FAQs on any changes and impacts to Superannuation, as well as early release of funds if required. In addition, we provided customers with the option for one-to-one financial coaching, which includes general information on budgeting, rent and mortgage payments, utilities and bills, accessing Government assistance packages, and mental health.

Delivering a differentiated customer experience

We take pride in delivering a differentiated customer experience, by making superannuation simple, easy and smart. This relentless focus on the customer was acknowledged earlier in the year with ING winning Canstar's Most Satisfied Customers – Super Fund Award. Living Super has also maintained its Gold rating from independent research and ratings group, SuperRatings.

Building on our heritage as Australia's first fintech, we continue to invest in technology and infrastructure to enhance the digital experience. Improvements over the last 12 months have made it easier for customers to set up their employer contributions and roll over contributions, to make managing superannuation a seamless part of their lives.

Staying a step ahead

While the long-term effects of the pandemic remain unclear, we will continue to help our customers stay a step ahead through the responsible management of their retirement savings and by ensuring we're by their side when they need us.

Please read on for an overview of Living Super's performance and how it has evolved to continue meeting customers' expectations and give confidence for the future.

Kind regards,



Uday Sareen

CEO, ING Australia



Legislative changes and product updates



Legislative Changes:

Protecting Your Superannuation legislation – changes to insurance

a) Insurance cover for inactive accounts

From 1 July 2019, the Government introduced new measures to cancel insurance for customers who have not made a contribution or rollover into their account for a continuous period of 16 months. We have an ongoing obligation from 1 July 2019 onward to notify members whose accounts have been inactive for 9, 12 and 15 months to alert them to the impending cancellation of insurance where no contributions or rollovers have been received in their account for 16 months.

b) Fee cap introduced for low balance accounts

From 1 July 2019, the Government also required us to introduce a cap to the fees charged for low balance accounts in Living Super. This means if a member's balance reaches \$6,000 or less on the last day of the financial year, the maximum that will be charged in fees will be capped at 3% or pro-rated if an account is opened or closed in the middle of the financial year. If you were a member at 30 June 2020 and your balance was \$6,000 or less, a rebate for any fees above 3% during the preceding year will be credited to your account effective this date.

c) Inactive low balance accounts transferred to the Australian Tax Office (ATO)

From 1 October 2019, the ATO introduced measures to help protect inactive accounts with low balances by attempting to match these inactive accounts with a superannuation account a person may have which is active.

Generally, an account will be classified as an inactive low balance account when the balance is below \$6,000 and has been inactive for the past 16 months. "Inactive" in respect to inactive low balance accounts means, over the past 16 months:

- There have been no rollovers, contributions or other amounts made to the superannuation account;
- the member has not changed investment options;
- the member has not made or amended a binding beneficiary nomination;
- the member has not given notice to the Commissioner of Taxation that the superannuation account is not an inactive low balance account; and
- The superannuation provider was not owed money.

Members can elect not to have their money transferred to the ATO as an inactive low balance account.

Putting Members Interests First legislation – changes to insurance

a) Insurance cancelled for inactive accounts

The Government introduced new superannuation reforms in October 2019 to ensure that insurance provided through superannuation funds would not unduly erode retirement balances. As a result of these reforms, we could no longer provide or maintain insurance cover for members whose account balances were below \$6,000 at 1 November 2019 and had not met or exceeded \$6,000 by 1 April 2020, unless the member made an election authorising the trustee to retain that insurance.

b) No Automatic Death and Total and Permanent Disablement insurance if you are under 25

Under the Putting Members Interests First (PMIF) reforms, trustees cannot provide default insurance cover on an 'opt out' basis to new members who are under the age of 25 and join a superannuation fund after 1 April 2020.

For Living Super Members who are under 25 years of age and would like to take out insurance, they can do so by specifically applying for Tailored Cover and making the relevant election.

c) New criteria for members aged 25 and over to qualify for Automatic Death and Total Permanent Disablement insurance

From 1 April 2020, under the PMIF legislation, trustees and superannuation funds cannot provide insurance on an opt out basis to members aged 25 and over unless the member has met the minimum account balance requirement or they have made the relevant election for insurance.

In respect to the Automatic Cover offered within Living Super, for those members who join Living Super after 1 April 2020, are 25 years of age or over, and have not opted out of Automatic Cover (being Death and Total and Permanent Disablement insurance), their Automatic Cover insurance will commence at the earlier of:

1. Their account balance reaching \$6,000; or
2. They make an election to receive Automatic Cover (where they have an account balance or greater than nil)

Provided either occur within 120 days of opening their Living Super account.



Legislative changes and product updates (continued)

COVID-19 and your superannuation:

Early Release of Superannuation due to COVID-19

On 22 March 2020, the Government announced changes to allow people who have been financially affected by the COVID-19 pandemic to access some of their superannuation early, subject to meeting eligibility criteria. These changes came into effect 20 April 2020. Eligible people could access up to \$10,000 of their superannuation for the financial year 2019-2020 and up to a further \$10,000 for the financial year 2020-2021. Applications can be submitted online through the myGov website: www.my.gov.au. For the financial year 2019-2020, applications had to be submitted by 30 June 2020. For the financial year 2020-2021, applications can be submitted from 1 July 2020 to 31 December 2020.

Reducing the Minimum Pension Withdrawal amount

The minimum pension withdrawal amount is calculated based on the individual's age and their Pension balance at the commencement of their account, or at 1 July each year.

With the impact of the COVID-19 on financial markets and the flow on effect to superannuation account balances, the Government has reduced the percentage on the minimum pension payments that retirees must withdraw from their superannuation accounts for the financial years 2019-2020 and 2020-2021. This reduction may assist retirees who do not wish to sell investment assets held within their superannuation to meet the usual minimum pension withdrawal amounts as they can now elect to withdraw the new lower minimum pension payment amount. This change applies to retirees who hold Account based Pension and Transition to Retirement Pension accounts.

Old vs Temporary New Pension withdrawal minimums

Age at commencement of Pension or 1 July	Previous minimum Pension Withdrawal	New minimum Pension Withdrawal
Under 65	4.0%	2.0%
65-74	5.0%	2.5%
75-79	6.0%	3.0%
80-84	7.0%	3.5%
85-89	9.0%	4.5%
90-94	11.0%	5.5%
95 or more	14.0%	7.0%

For any Pension payments being made from Living Super after 1 July 2020, if a member has nominated to receive the minimum pension amount allowable, the new minimum above will automatically apply for any payments made after this date.

Changes to contribution rules

The Government made regulations effective in May 2020 to implement the Improving Flexibility for Older Australians measures, which allow the following for financial years after 1 July 2020:

- voluntary superannuation contributions (both concessional and non-concessional) to be able to be made by those aged 65 and 66 without meeting the work test
- Allow those up to and including age 74 to be able to receive spouse contributions, with those 65 and 66 no longer needing to meet a work test

Product Updates:

Administration fee reduction

From 1 December 2019, the Administration Fee – Operational Risk Financial Requirement (ORFR) for Living Super was reduced by 0.12%

Superannuation funds are required by APRA to hold capital reserves to cover the risk of loss to members from an operational error. This is known as the Operational Risk Financial Requirement (ORFR). As a result of Living Super achieving an appropriate level of reserves within the Fund, we were able to reduce the associated component of our Administration fees.

The ORFR fee reduced from 0.14% to 0.02%.

Insurance in Superannuation Working Group Code – Living Super transition plan

Diversa Trustee Limited, in conjunction with ING, had declared the intention to adopt the Insurance in Superannuation Voluntary Code of Practice (Code). The Code allows for a three year transitional period to comply with all the standards. More information about the transition plan can be found [here](#).

Change for Term Deposits broken before maturity

In response to the COVID-19 crisis, during the period 21 April 2020 to 31 December 2020, in respect to Term Deposits held within Living Super, ING implemented two temporary measures, being:

- For all members – Waiver of the Interest Rate Reduction that normally applies when members break a Term Deposit before the maturity date;
- For members eligible for early release of superannuation under the COVID-19 grounds – Waiver of the 31 days' notice period.

Arrangements to apply for the Interest Rate Reduction that will apply for Term Deposit breaks after 1 January 2021 will be published on the ING website before this date.



Legislative changes and product updates (continued)

Changes to Buy/Sell spreads

On 21 April 2020 the following changes to buy and sell spreads were implemented, in response to changes advised by the underlying investment manager, State Street Global Advisers:

Managed investment option	Buy (%)	Sell (%)
International Shares (Hedged)	0.13%	0.08%
Australian Fixed Interest	0.04%	0.05%
Intl Fixed Interest (Hedged)	0.08%	0.15%
Balanced (closed to new members)	0.07%	0.06%
Growth	0.08%	0.07%
High Growth	0.11%	0.09%

From 1 July 2020, further buy sell spread changes were implemented to coincide with changes to asset allocations and new investment options (Conservative and Moderate) as follows:

Managed investment option	Buy (%)	Sell (%)
High Growth	0.10%	0.08%
Growth	0.09%	0.08%
Conservative	0.06%	0.08%
Moderate	0.07%	0.08%
Balanced (closed to new members)	0.08%	0.08%

Changes to Indirect Cost Ratios

The latest available indirect cost ratios (ICR's) for the managed investment options are in the following table. These are estimates only based on information for the year ended 30 June 2020, and the actual indirect costs may be higher or lower.

Managed investment option	Indirect cost ratio %
Australian Fixed Interest	Nil
International Fixed Interest (Hedged)	0.02%
Conservative	0.01%
Moderate	0.01%
Balanced (closed to new members)	0.02%
Growth	0.02%
High Growth	0.02%
Australian Listed Property	Nil
Australian Shares	Nil
International Shares (Hedged)	0.07%
International Shares	Nil

Changes to Investment Options 1 July 2020

Changes were made to the asset allocation and investment objectives of the Balanced, Growth and High Growth options effective 1 July 2020. Click to [here](#) to read the Product Update.

The Balanced option was also closed to new Fund members and existing members who are not currently invested in this option and two new investment options, Moderate and Conservative, were introduced. Click to [here](#) to read the Product Update.



Market update



The material in the Market update section is provided by the Fund's Asset Consultant: Atchison Consultants.

Financial Year 2019-20 (FY20): It is time to say farewell to one of the most historic and astonishing financial years in the history of the Australian financial market. It is unlikely investors will witness a repeat of what happened in the space of six months, the share market went from a full-blown bear market to a full-blown bull market.

Looking back, in comparison with the second half of FY20, the financial year started with some "normality" with "minor" distractions such as the continuation of political risks for example, the US Congressional investigation into President Trump's dealings with the Ukraine to Brexit. In addition, share markets struggled to make headway from July to September 2019 in the face of US-China trade tensions and the associated manufacturing slowdown. The first three months of FY20 saw the Australian share market return a modest +2.4%, whilst the US stock market was up +1.4% and China +0.9%.

However, late 2019 saw share markets rally as central banks enacted a "U" turn on monetary policy and as US-China trade tensions eased, triggering a global manufacturing recovery. The rally received further fuel in early January 2020 when US and China negotiated a "Phase 1" trade deal, seemingly reducing the risks of a trade war. The Australian share market was up +3.1% for the six months to December 2019, with the US stock market returning +10.3% and China +8.7% over the same period.

Then came COVID19 – a microbe has delivered the biggest peacetime shock to the global economy since the 1930s depression – and a challenge to the globalisation that has driven Australian prosperity over the past three decades. Initially markets brushed off the threat of COVID-19. As COVID-19 escalated into a global pandemic, risk assets began selling off sharply starting late February 2020.

The month of March 2020 saw the sell-off become a stampede as countries shut down large parts of their economy with lockdowns in order to contain the virus. Risk aversion measures skyrocketed to levels not seen since the Global Financial Crisis. After peaking at a record 7165 points on the 20th February 2020, just before quarantines and lockdowns began spreading from China to Europe to the American east coast, the Australian share market as represented by the ASX/S&P 200 Accumulation Index fell -36% by March 23rd (a seven-year low).

Governments and central banks around the world responded with unprecedented fiscal and monetary measures. Over FY20 the Reserve Bank of Australia (RBA) cut the official cash rate from 1.25% to 0.25% and the US Federal Reserve rate fell from 2.25-2.50% to 0.00-0.25%.

Markets finally began to stabilise in the final three months of FY20 and then began a very sharp rally that gathered momentum as the intensity of the virus receded and economies opened-up as lockdowns eased.

The Australian share market returned -7.7% for FY20, relatively modest compared to the panic and turmoil that gripped investors in March 2020 when the index was down -36% from its peak. International shares as represented by the MSCI World ex Australia (with net dividends reinvested) Index fared better in FY20, on an unhedged basis returning +5.2% and +1.3% on a hedged basis. Whilst Australian bonds had a positive year in the sharp falling interest rate environment returning +4.2%. Worst performing asset class came from the Australian listed property trust sector, returning -21.3% for the year.

Given the wild roller coaster of a year the markets experienced, members should not be too disappointed. The impact on a typical diversified balanced portfolio with an allocation of 60% to growth assets and 40% to defensive assets has not performed too poorly in FY20, on average such a portfolio would have returned around -1.6 % for FY20.

Australian Markets

The roller coaster ride for equities through FY20 resulted in glaring differential in the investment performance between equity markets around the world and at the sector level.

Surprisingly the Australian stock market substantially underperformed despite a relatively less severe progression of the virus, the S&P/ASX200 Accumulation Index (including the benefit of dividends) returned -7.7% in FY20.

Generally, defensive sectors outperformed cyclical ones. The best performing sector in FY20 was Health Care, up +27.4%, followed by Information Technology +19.4%. Whilst the worst performing sector was Energy returning -28.7%. Financials (i.e. Banks) and A-REITS (listed property trusts) also performed poorly weighed down by closures of retail malls and office buildings.

Australia's underperformance in FY20 was to a large extent a function of its sector mix, heavily overweight underperforming Banks and underweight the outperforming Technology sector, led by payments company Afterpay +150.4% and accounting software company Xero +47.3%. Fischer & Paykel Healthcare was also a big winner from the pandemic, up +110.06% with demand for respiratory devices surging. Also, Mesoblast returned +108.4% for the year after it revealed its stem cell therapy showed promise in treating critically ill COVID-19 patients.

Banks which account for 20% of the market were negatively impacted by their exposure to 780,000 deferred loans, weak economic growth, low interest rates and signs of weakness in the property market. Australia's largest lender Commonwealth Bank was down -16.1% for year.

Heading into the new financial year, the Australian share market is expected to be challenging, with investors forecasting the market will remain turbulent at least for the remainder of the calendar year.



Market update (continued)

Global Markets

Global shares as represented by the MSCI World ex Australia (with net dividends reinvested) Index for FY20 returned +5.2% on an unhedged basis while the hedged return of +1.3% due to the weakened Australian dollar against the world's major currencies.

FY20 started strongly for global markets despite concerns and uncertainty surrounding the world's two largest economies - US and China. Meanwhile, a significant, if short-lived, rotation swept through financial markets globally out of relatively expensive stocks exhibiting low corporate earnings volatility and strong share price momentum, into cheaper, unloved sectors offering attractive valuations. Investors sold out of defensive low volatility stocks and higher growth technology companies which had propelled the decade-long bull market in the US. They opted instead for value stocks, which includes energy and financial stocks that had underperformed the broader market in recent years. For the month of September 2019, the MSCI World ex Australia Growth Index (unhedged) returned +0.7% versus the equivalent Value index (unhedged) of +4.1%.

By the end of December 2019 due to the easing of monetary conditions (central banks around the world consistently cutting interest rates) all asset classes rose in value. Investors were richly rewarded for taking risks in 2019. For the six-months to December 2019, the MSCI World ex Australia (with net dividends reinvested) Index delivered +9.1% (unhedged) and +9.3% (hedged). Global sovereign bonds (hedged) also delivered a positive, if muted +1.6% to investors for the six months. Further out on the risk curve, listed real estate assets benefited from falling bond yields and generated returns above +7.1%.

As we headed into 2020 optimism appeared unsustainable. The scale and speed of the correction to markets as the coronavirus pandemic rapidly paralysed large sections of the world economy broke many historical records. The swift response from governments in terms of fiscal stimulus, combined with aggressive monetary easing and other unconventional policies, did appear to offer some support. Equities partially recovered towards the end of the March 2020 quarter. Despite this, for the quarter ended March 2020 the index delivered -9.0% (unhedged) and -21.1% (hedged) reversing all the gains made to 31 December 2019.

To compound issues, a stand-off between Saudi Arabia and Russia and the breakdown in OPEC supply restraints battered oil markets, plus the negative impact on demand

for oil due to COVID-19. Energy was the worst performing sector during the March 2020 quarter followed by areas either directly impacted by the virus (most notably, transport and leisure) or less directly via the impact on global growth and interest rates, namely Financials and cyclical sectors such as Materials and Industrials. But more defensive areas of the equity market, namely Health Care, Consumer Staples, Utilities and Communications declined by less than the broader market. However, the US market held up well on a relative basis, driven by the continued outperformance of a small group of stocks, in particular Netflix and Amazon were regarded as net beneficiaries of self-isolation, whilst Microsoft enjoyed a surge in demand for its cloud-based applications. More surprising perhaps was the resilience of the other index heavyweights such as Alphabet and Facebook, as both are driven by cyclically sensitive advertising revenues.

The final quarter of FY20 witnessed a market recovery as hopes of a V-shaped economic rebound increased. The MSCI World ex Australia (with net dividends reinvested) Index to delivered +5.9% (unhedged) and +17.8% (hedged) for the three months to June 2020.

The Technology sector was, once again, the standout performer during the final quarter of FY20, beating the broader index by almost +12%. The bounce back has clearly been concentrated in the same popular index heavyweights that have dominated performance in recent years. Apple gained almost +44% over the June 2020 quarter whilst Amazon was up +41%, followed by Facebook +36% and Microsoft +29%. However, the strong performance of technology was relatively broad based and extended to other beneficiaries of the "stay-at-home" theme as well as areas geared into the global recovery, such as semiconductors.

Emerging market shares had a similar roller-coaster ride in FY20 finishing up lagging the broader global equity index. The MSCI Emerging Markets Shares Index (with net dividends reinvested) in Australian dollars returned -1.2% for the twelve months to June 2020.

The outlook for global shares in general for FY21 is likely to remain uncertain and volatile due to COVID-19 and the subsequent lack of earnings guidance from many of the major companies to assist analysts to compute rationale valuations. Added to the mix of unknowns is the complications of a US November 2020 presidential election and more recently the souring relationship and escalating tensions between China and the US (and its allies).



Market update (continued)

Australian and International Property

Returns from Australian listed property trusts (A-REITs) market were decimated in March 2020 returning -35.1% for the month alone but recovered to finish the FY20 down -21.3%, underperforming the broader Australian share market by -13.6%. Some real estate assets were negatively impacted by the Government's decision to impose trading restrictions upon businesses to facilitate social distancing and lockdown measures. Particularly evident in the larger shopping centres where discretionary spending (non-essential) is a major driver of earnings.

Globally Real Estate Investment Trusts (G-REITs) were not immune either in FY20. The global property securities market fell -17.2% in FY20. North America was the weakest performer followed by Europe and then Asia Pacific.

Cash, Fixed Interest and Corporate Bonds

The RBA lowered the cash rate four times during FY20 from 1.25% to 0.25% (twice in March 2020) to support lending and employment. It is very unlikely that the RBA will move into negative interest rates from the current official cash rate of 0.25%.

The deteriorating economic situation beginning in February 2020, as well as the lowering of policy rates and the continuation of Quantitative Easing by central banks, saw global government bond yields fall during FY20. However, at the height of the crisis in March 2020, central banks were forced to intervene as signs of stress in fixed income markets saw government bond yields spike sharply, though temporarily.

During FY20 the Australian 10-year government bond yield fell from 1.32% to 0.87% and the US 10-year Treasury yield fell from 2.00% to 0.65% with both touching lows in March 2020 of 0.61% and 0.50% respectively.

The sharp rise in risk aversion in the final quarter for FY20 saw credit spreads skyrocket to levels not seen since the Global Financial Crisis. This prompted the US Federal Reserve to expand its purchase of corporate debt to include categories of non-investment grade debt. This announcement, as well as other measures, helped stabilise the corporate debt market and saw credit spreads begin to fall back to more normal levels.

Australian Dollar (AUD) Exchange Rate

The big currency story of FY20 was the rise of the US Dollar on safe-haven buying. The Australian Dollar plummeted to a 17-year low of US\$0.57 in March 2020 before recovering to finish FY20 at US\$0.69, approximately where it had started the year.

Outlook

The global pandemic recession is far deeper than feared but Australia is deemed to be a standout performer as the only advanced economy to have its economic outlook upgraded by the International Monetary Fund (IMF).

The IMF forecasts the Australian economy to contract a still hefty -4.5% this year, less than the massive -6.7% fall it tipped in April. Economic growth is projected to recover 4% in 2021. But this recovery, to an extent, will be dependent on the Australian Government carefully unwinding the stimulus packages put in place such as the JobKeeper program to avoid sudden income losses and business bankruptcies.

The macroeconomic picture will be based on the level of COVID-19 restrictions and will be the main feature over the course of FY21. The secondary key risk event on the horizon that will cause some volatility across markets will likely be the US November 2020 presidential election, and the US taking a more hard-line approach to China in the lead into the election.

The \$AUD could range trade as low as \$US0.65 and as high as US\$0.74, the upper range supported by a global economic recovery and iron ore prices remaining firm. Given the unique position the world finds itself in it is very difficult to predict a FY21 return for a suitably diversified investment strategy. However, should a vaccine be discovered for COVID-19 before the calendar year end then a return of around +5% is feasible.

Ultimately the outlook for FY2020-21 hinges on the global race by a combination of private investment and government research to find a vaccine, or even a much-improved treatment to fight the virus that threatens all.



Living Super investments^{2,3}



With ING Living Super, your personal investment strategy can be as simple or as sophisticated as you like.

Investment strategy

The Trustee has established an investment strategy for Living Super that outlines the specific risk and return objectives of each investment option. This strategy has been formulated with regard to the whole of the circumstances of Living Super including investment risk, diversification, liquidity, the ability of the Trustee to discharge existing and future liabilities, whether reliable valuation information is available, the expected tax consequences and costs. In giving effect to this strategy, the Trustee may place limits on particular investment options to ensure that appropriate levels of diversification and liquidity are maintained. The investment menu is designed to offer a range of investment options that are straightforward, cost effective and flexible.

ING Living Super investment menu

With ING Living Super, you choose how your money is invested. There is one investment menu, split into four investment categories that you can mix and match. There is also a Cash Hub (transaction account) that allows you to transfer your super between the various investment menu options. The investment menu is designed to offer you a range of investment options that are straightforward, cost effective and provide flexibility throughout your life.

The four investment categories are called: **Term Deposits, Single Sector Managed Investments, Multi Sector Managed Investments and Listed Securities.**

Transaction account	Investment categories		Insurance
Cash Hub	Term deposits 3 month term deposit 6 month term deposit 1 year term deposit 2 year term deposit (only available for <i>super accounts</i>)	Multi sector managed investment options Balanced option Growth option High Growth option	Automatic Cover Tailored Cover Death and/or TPD <ul style="list-style-type: none"> • Life stage • Fixed premium • Level of cover
	Single sector managed investment options Cash option Australian Fixed Interest option Australian Listed Property option Australian Shares option International Fixed Interest (Hedged) option International Shares option International Shares (Hedged) option	Listed securities All constituents of the S&P/ASX 300 index and approved ASX listed exchange traded products	Income Protection Different waiting periods Different benefit periods

For the curious: ²Buy-sell spreads and other incidental transaction costs apply to all managed investment options. Buy-sell spreads and other transaction costs are retained within the managed investment and are not fees paid to ING or the Trustee. The Trustee may replace one or more of the underlying investment managers which may affect the fee structure for the investment options. In addition, other factors may arise which may cause the fee structure for Living Super to change. Should this occur, the Trustee may vary the fees for ING Living Super without your consent by giving at least 30 days' notice where a material increase to a buy-sell spread or indirect cost ratio occurs. You should regularly check the ING Living Super website for the latest fees and costs information. Living Super is not available to U.S. Persons.

³From 1 July 2020, the information presented in this section relating to Living Super investments is no longer current. Please refer to the latest PDS and Product Guide at <https://www.ing.com.au/>



Living Super investments (continued)

Take greater control of your superannuation

ING Living Super makes it easy to diversify and mix and match investments across any or all of these categories.

Term Deposits

The investment options in the Term Deposits category are designed for members who want to minimise risk. You have the choice of a range of fixed rate Term Deposits.⁴

Single Sector Managed Investments

The investment options in the Single Sector Managed Investments category enable you to choose from a variety of single sector managed investments.

Multi Sector Managed Investments

The investment options in the Multi Sector Managed Investments category enable you to choose from a variety of diversified managed investments, each with their own risk rating.

Listed Securities

The Listed Securities investment category give you the freedom and control to invest in shares included in the S&P/ASX 300 and a range of exchange traded products.

Things you should know

When you are choosing your investment options, you should consider the likely investment return, risk and how long you will be investing your super as well as your particular investment objectives, financial situation and needs.

Investment categories and investment options³

Term deposits

- 3 month
- 6 month
- 1 year
- 2 year (only available in Super accounts)

Multi sector managed investments

- Balanced
- Growth
- High Growth

Single sector managed investments

- Australian Shares
- International Shares (Hedged)
- International Shares
- Australian Fixed Interest
- International Fixed Interest (Hedged)
- Australian Listed Property

Listed securities

- S&P/ASX 300 Shares
- Exchange Traded Products

Cash Hub (Transaction account)

The Cash Hub is your transaction account. Depending on which account you're in, the Cash Hub is the transaction account into which all contributions, rollovers and distributions are paid, and out of which all fees, pension payments (if applicable), withdrawals and insurance premiums are paid.

All Term Deposits and Shares must be purchased from the Cash Hub and all proceeds from Term Deposits and Shares must be paid into the Cash Hub.

For the curious:³ From 1 July 2020, the information presented in this section relating to Living Super investments is no longer current. Please refer to the latest PDS and Product Guide at <https://www.ing.com.au/>

⁴ Living Super Term Deposit rates are available at [ing.com.au](https://www.ing.com.au/).



Living Super investments (continued)

Investment menu³

The investment objectives, internal benchmarks and underlying investment managers for ING Living Super are as follows:

Category	Investment Options	Investment objectives	Benchmark	Investment strategies	Guidelines, strategic asset allocation and ranges	Who is this suitable for?	Risk label	Investment horizon															
Smart	Cash Hub	Aims to provide security of capital and regular income and achieve a return of the benchmark.	RBA Cash less 0.75% pa before fees and taxes. ⁴	The strategy for the Cash Hub is to	Cash 100%	Your ING Living Super cash transaction account.	Very low risk	Any period															
Select	Cash option	Aims to provide security of capital and income built into the unit price and achieve a return of	RBA Cash Rate before fees and taxes.	substantially invest the assets on deposit with ING.	Cash 100%	Conservative or cautious investors seeking security of capital and positive income returns over time.	Very low risk	Any period															
Select	Term Deposits	To provide stable returns with low risk of capital loss by investing in Term Deposits. Terms available are:		The strategy for the Cash option is to substantially invest the assets on deposit with ING either directly or indirectly (via managed investments).	Cash 100%	Conservative or cautious investors seeking security of capital and guaranteed returns for fixed	Very low risk	90 days – 2 years depending on the term selected															
		<table border="1"> <thead> <tr> <th>Option</th> <th>No. of days</th> <th>Interest crediting</th> </tr> </thead> <tbody> <tr> <td>3 months</td> <td>90</td> <td>On maturity</td> </tr> <tr> <td>6 months</td> <td>180</td> <td>On maturity</td> </tr> <tr> <td>1 year</td> <td>365</td> <td>On maturity</td> </tr> <tr> <td>2 years</td> <td>730</td> <td>Accrued annually & paid on maturity</td> </tr> </tbody> </table>	Option	No. of days	Interest crediting	3 months	90	On maturity	6 months	180	On maturity	1 year	365	On maturity	2 years	730	Accrued annually & paid on maturity						
Option	No. of days	Interest crediting																					
3 months	90	On maturity																					
6 months	180	On maturity																					
1 year	365	On maturity																					
2 years	730	Accrued annually & paid on maturity																					

For the curious: ³ From 1 July 2020, the information presented in this section relating to Living Super investments is no longer current. Please refer to the latest PDS and Product Guide at <https://www.ing.com.au/>

⁴Please note that the benchmark is no longer current



Living Super investments (continued)

Category	Investment Options	Investment objectives	Benchmark	Investment strategies	Guidelines, strategic asset allocation and ranges	Who is this suitable for?	Risk label	Investment horizon		
Smart	Balanced	<p>Aims to provide medium to long term capital growth with income built into the unit price.</p> <p>Aims to achieve a 2.0% average annual return above inflation (CPI) over a rolling 6 year period after investment fees and taxes.</p>	N/A	<p>The long term asset allocation is 62% growth assets and 38% defensive assets. This option invests in Cash, Australian shares, International shares (Hedged), International Shares, Australian Listed Property and Australian Fixed Interest.</p> <p>The option can invest directly or indirectly (via managed investments).</p> <p>Asset allocation is balanced back to the long term target.</p>	Asset class	Ranges	Target	Investors who are seeking a potentially higher return than available from Cash, who are prepared to accept a moderate exposure to growth assets.	High risk	At least 6 years
					Australian Shares	18 - 45%	33%			
					International Shares	5 - 25%	25%			
					International Shares (Hedged)	5 - 25%	12.5%			
					Australian Listed Property	0 - 10%	4%			
					Australian Fixed Interest	0 - 25%	10%			
					International Fixed Interest (Hedged)	0 - 10%	0%			
					Cash	20 - 40%	28%			
Select	Growth	<p>Aims to provide longterm capital growth with income built into the unit price. Aims to achieve a 2.5% average annual return above inflation (CPI) over a rolling 8 year period after investment fees and taxes.</p>	N/A	<p>The long term asset allocation is 70% growth assets and 30% income assets. This option invests in Cash, Australian Fixed Interest, International Fixed Interest, Australian Shares, International Shares and Australian Listed Property. The option can invest directly or indirectly (via managed investments). Asset allocation is balanced back to the long term target.</p>	Asset class	Ranges	Target	Investors who are seeking a medium to long term investment and moderate - high returns, who accept the possibility of losses in capital.	High risk	At least 8 years
					Australian Shares	25 - 45%	35%			
					International Shares	5 - 25%	15%			
					International Shares (Hedged)	5 - 25%	15%			
					Australian Listed Property	0 - 15%	5%			
					Australian Fixed Interest	0 - 25%	15%			
					International Fixed Interest (Hedged)	0 - 10%	0%			
					Cash	5 - 25%	15%			
Select	High Growth	<p>Aims to provide long term capital growth with income built into the unit price. Aims to achieve a 3.5% average annual return above inflation (CPI) over a rolling 10 year period after investment fees and taxes.</p>	N/A	<p>The option can invest directly or indirectly (via managed investments) in Australian and International shares, along with Australian Listed Property.</p> <p>Asset allocation is balanced back to the long term target.</p>	Asset class	Ranges	Target	Investors who are seeking a long term investment with high returns, who accept the possibility of losses in capital.	High risk	At least 10 years
					Australian Shares	40 - 60%	50%			
					International Shares	10 - 30%	20%			
					International Shares (Hedged)	10 - 30%	20%			
					Australian Listed Property	0 - 20%	10%			
					Cash	0 - 5%	0%			



Living Super investments (continued)

Category	Investment Options	Investment objectives	Benchmark	Investment strategies	Guidelines, strategic asset allocation and ranges			Who is this suitable for?	Risk label	Investment horizon
Select	Australian Shares	Aims to closely match the return of the Australian share market (income and capital growth) before fees, as measured by the S&P/ASX 200 Accumulation Index before fees and tax	S&P/ASX 200 Accumulation Index	The option can invest directly or indirectly (via managed investments) in shares and securities listed or to be listed on ASX.	Asset class	Ranges	Target	Investors who are seeking a long term investment in a diversified portfolio of Australian shares who accept the possibility of losses in capital.	High risk	At least 7 years
					Australian Shares	95 - 100%	33%			
					Cash	0 - 5%	0%			
Select	International Shares (Hedged)	Aims to closely match the return of the international share market as measured by the MSCI World ex Australia Index (net Dividends reinvested), hedged in Australian Dollars before fees and taxes.	MSCI World ex-Australia Index (net Dividends reinvested), 100% hedged in Australian Dollars.	The option can invest directly or indirectly (via managed investments) in shares and securities listed or to be listed on exchanges outside Australia. Currency exposures are hedged (using derivatives) up to 100% of the value of the portfolio.	Asset class	Ranges	Target	Investors who are seeking a long term investment in a diversified portfolio of global shares that is protected against the movements in currency exchange rates and who accept the possibility of losses in capital.	High risk	At least 7 years
					Australian Shares	95 - 100%	33%			
					Cash	0 - 5%	0%			
Select	International Shares	Aims to closely match the return of the international share market as measured by the MSCI World ex Australia Index (net Dividends reinvested), before fees and taxes.	MSCI World ex-Australia Index (net Dividends reinvested).	The option can invest directly or indirectly (via managed investments) in shares and securities listed or to be listed on exchanges outside Australia.	Asset class	Ranges	Target	Investors who are seeking a long term investment in a diversified portfolio of global shares who accept the possibility of losses in capital.	Very high risk	At least 8 years
					Australian Shares	95 - 100%	33%			
					Cash	0 - 5%	0%			
Select	Australian Listed Property	Aims to closely match the return of the listed property securities market, as measured by the S&P/ASX 200 A-REIT Index before fees and taxes.	S&P/ASX 200 A-REIT Index	The option can invest directly or indirectly (via managed investments) in property securities listed or to be listed on the ASX.	Asset class	Ranges	Target	Investors who are seeking a long term investment in a diversified portfolio of listed property securities and the possibility of losses in capital.	High risk	At least 7 years
					Australian Shares	95 - 100%	33%			
					Cash	0 - 5%	0%			



Living Super investments (continued)

Category	Investment Options	Investment objectives	Benchmark	Investment strategies	Guidelines, strategic asset allocation and ranges			Who is this suitable for?	Risk label	Investment horizon
Select	Australian Fixed Interest	Aims to closely match the return of the Australian fixed interest market as measured by the Bloomberg AusBond Composite Bond Index before fees and taxes.	Bloomberg AusBond Composite Bond Index	The option can invest directly or indirectly (via managed investments) in bonds from the Bloomberg AusBond Composite Bond Index.	Asset class	Ranges	Target	Investors who are seeking a return higher than that available from Cash, capital losses may occur over the short term and the level of income may vary from time to time.	Medium risk	At least 3 years
					Australian Fixed Interest	95 - 100%	100%			
					Cash	0 - 5%	0%			
Select	International Fixed Interest (Hedged)	Aims to match the return of the international fixed interest market – hedged (income and capital growth) as measured by the Citigroup World Government Bond Index ex Australia, 100% hedged to Australian dollars before fees and taxes.	Citigroup World Government Bond Index ex Australia, 100% hedged to Australian dollars.	The option can invest directly or indirectly (via managed investments) in bonds from the Citigroup World Government Bond Index ex Australia, 100% hedged to Australian dollars.	Asset class	Ranges	Target	Investors seeking a return higher than that available from cash from global fixed interest securities that are protected from movements in currency exchange, as well as an income stream. Capital losses may occur over the short term and the level of income may vary from time to time.	Medium risk	At least 3 years
					Australian Fixed Interest	95 - 100%	100%			
					Cash	0 - 5%	0%			
Select	Shares	To provide direct access to constituents of the S&P/ASX 300 and selected exchange traded products.	N/A	Access to constituents of the S&P/ASX 300 index and selected exchange traded products listed on the ASX is provided through ING Living Super's share broker.	Tier	Maximum % in one security	Maximum % of total account balance	Investors who are looking for an investment in one or more single listed securities who accept the possibility of a loss of capital.	See the shares and exchange traded products on fact sheet on ing.com.au for a full list of the exchange traded products available, which tier they are in and their risk labels. For the list of shares on the S&P/ASX 300 see asx.com.au . The risk label for the S&P/ASX 300 is High risk.	At least 7 years
					S&P/ASX 300 Constituents	20%	100%*			
					Tier 1 Exchange Traded Product	50%	100%*			
					Tier 2 Exchange Traded Product	25%	100%*			
					Tier 3 Exchange Traded Product	10%	40%			
*subject to Cash Hub minimums										



Living Super investments (continued)

Investment managers

ING Bank (Australia) Limited ABN 24 000 893 292, AFSL 229823, ACL 229823 is the investment manager of the managed investment options, Cash Hub and Term Deposits. ING may appoint one or more sub-investment managers from time to time to manage the investments within the Fund.

Interest rates in Living Super

The interest rate on the Cash Hub, Cash Option and the cash component of the Balanced and Growth Options vary from time to time. This rate is independent to the interest rates on ING's other banking products. This means that future interest rates may be different between those credited within Living Super and on other ING banking products. Please refer to the Rates and fees section on the Living Super website for the latest rates.

Assets held with investment managers

The assets of ING Living Super Fund are with two investment managers. The amounts held with these investment managers are below:

As at 30 June 2020	Balance
ING Bank (Australia)	\$953m
State Street Global Advisors	\$1,477m

Single assets valued above 5% of total funds under Management

At the end of the 2019-2020 financial year, the Fund had:

- 37% invested in the ING Balanced Option;
- 14% invested in the Cash Hub;
- 12% invested in Listed Securities (through the S&P/ASX 300 and selected exchange traded products);
- 12% invested in the ING High Growth Option;
- 7% invested in Term Deposits with ING; and
- 7% invested in the ING Growth Option.

Derivative securities

The Trustee does not invest directly in any futures, options or other derivative instruments. However, external managers may use derivatives in managed investment schemes in which the Trustee invests. The Trustee views the use of Derivatives within the investment options available through the Fund as acceptable for the following purposes:

- To protect the assets of the Fund against, or minimise liability from, a fluctuation in market values;
- To reduce the transaction cost of achieving the desired asset allocation or investment profile for the Fund;
- To obtain prices that may not be available to the Fund in other markets;
- To reduce volatility and the impact on portfolio valuations of market movements; and
- To achieve adjustment of asset exposures within parameters fixed in the investment strategy.

Treatment of net earnings

Net earnings are allocated to member accounts in accordance with changes in the value of their investments (e.g. unit or share prices) or by the crediting of returns to member accounts (e.g. interest).

The Trustee uses four different methods and timings to value the investment options within the menu:

1. Managed investment unit pricing is updated daily;
2. The Cash Hub is valued based on relevant interest rates accrued daily and credited monthly;
3. The 3 months, 6 months and 1 year Term Deposits are valued based on relevant interest rates with interest paid on maturity. The 2 year Term Deposit interest is accrued on anniversary and paid on maturity. An Interest Rate Reduction applies if a Term Deposit is closed before the maturity date;
4. Prices for ASX listed securities are updated via the share broker at the most recent market price.



Living Super investments (continued)

Investment Options performance

The tables below detail the historical performance of the investment options for the Super, Transition to Retirement and Pension accounts effective 30 June 2020. Just remember, past performance is not a reliable indicator of future performance.⁴⁵

Super accounts

Investment option	1 month (%)	3 months (%)	6 months (%)	1 year (%)	2 years (%)	3 years (%pa)	5 years (%pa)	Since inception (%pa)	Inception date
Cash option	0.03	0.09	0.28	0.80	1.11	1.22	1.52	2.10	03/09/2012
Balanced	1.16	7.98	-4.42	-1.21	3.06	4.66	4.79	6.63	13/08/2012
Australian Fixed Interest	0.35	0.47	3.07	3.53	5.70	4.58	3.91	3.94	16/08/2012
Australian Listed Property	-0.85	17.02	-18.76	-18.85	-2.66	1.72	4.10	7.88	16/08/2012
Australian Shares	2.68	14.22	-8.03	-5.10	2.53	5.60	6.27	8.64	29/08/2012
Growth	1.13	8.39	-4.62	-1.22	3.54	5.30	5.60	8.03	30/08/2012
High Growth	1.54	12.79	-7.65	-3.37	3.35	6.16	6.74	10.28	30/08/2012
International Fixed Interest (Hedged)	0.29	0.67	4.03	4.94	5.36	4.12	3.92	4.13	16/08/2012
International Shares	-0.66	5.67	-2.82	5.11	8.00	9.83	8.63	13.64	29/08/2012
International Shares (Hedged)	2.12	15.34	-6.17	1.16	3.26	5.38	6.74	10.33	29/08/2012

Pension accounts

Investment option	1 month (%)	3 months (%)	6 months (%)	1 year (%)	2 years (%)	3 years (%pa)	5 years (%pa)	Since inception (%pa)	Inception date
Cash option	0.03	0.11	0.33	0.93	1.29	1.41	1.78	2.38	02/10/2012
Balanced	1.18	8.79	-5.00	-1.46	3.31	5.06	5.25	7.18	02/10/2012
Australian Fixed Interest	0.26	0.39	3.38	3.91	6.53	5.23	4.50	4.27	02/10/2012
Australian Listed Property	-1.34	19.45	-21.24	-21.36	-3.38	1.65	4.42	8.48	02/10/2012
Australian Shares	3.06	15.89	-8.55	-5.32	2.97	6.14	6.82	10.01	02/10/2012
Growth	1.15	9.38	-5.27	-1.48	3.90	5.81	6.18	8.80	02/10/2012
High Growth	1.46	14.12	-8.73	-4.08	3.41	6.51	7.24	10.97	02/10/2012
International Fixed Interest (Hedged)	0.23	0.68	4.56	5.60	6.16	4.73	4.52	4.71	02/10/2012
International Shares	-1.07	5.81	-3.43	5.18	8.55	10.73	9.43	14.52	26/02/2013
International Shares (Hedged)	2.28	17.38	-6.96	1.19	3.55	6.01	7.20	9.87	08/03/2013



Living Super investments (continued)

Transition to Retirement accounts

Investment option	1 month (%)	3 months (%)	6 months (%)	1 year (%)	2 years (%)	3 years (%pa)	5 years (%pa)	Since inception (%pa)	Inception date
Cash option	0.03	0.09	0.28	0.80	1.11	1.22	1.66	2.30	02/10/2012
Balanced	1.16	7.98	-4.42	-1.21	3.06	4.66	5.01	7.02	02/10/2012
Australian Fixed Interest	0.35	0.47	3.07	3.53	5.70	4.58	4.11	4.02	02/10/2012
Australian Listed Property	-0.85	17.02	-18.76	-18.85	-2.66	1.72	4.46	8.51	02/10/2012
Australian Shares	2.68	14.22	-8.03	-5.10	2.53	5.60	6.49	9.79	02/10/2012
Growth	1.13	8.39	-4.62	-1.22	3.54	5.30	5.87	8.59	02/10/2012
High Growth	1.54	12.79	-7.65	-3.37	3.35	6.16	7.03	10.83	02/10/2012
International Fixed Interest (Hedged)	0.29	0.67	4.03	4.94	5.36	4.12	4.16	4.47	02/10/2012
International Shares	-0.66	5.67	-2.82	5.11	8.00	9.83	8.90	14.14	26/02/2013
International Shares (Hedged)	2.12	15.34	-6.17	1.16	3.26	5.38	6.82	9.60	08/03/2013

For the curious: ³⁴⁵ The information in the tables above represents the historical performance of the managed investment options available within ING Living Super. The performance is calculated by measuring the change in the sell price for each managed investment option over the relevant time period. The performance calculation is net of all fees and taxes that are accrued in the calculation of the unit prices, but does not include any fees and taxes that are charged directly to your account. Past performance is not a reliable indicator of future performance.



Abridged financial statements



The abridged financial statements for ING Living Super are based on audited balances extracted from the financial statements of ING Living Super for the year ended 30 June 2020.

Statement of Financial Position as at 30 June 2020	2020 \$'000	2019 \$'000
Investment assets		
Term deposits	182,860	245,753
Australian equities	318,010	299,939
Unlisted unit trusts	1,884,056	1,972,936
Other assets		
Cash and cash equivalents	384,362	357,377
Trade and other receivables	2,965	4,167
Deferred tax assets	2,194	1,360
Outstanding investment settlements	2,774,447	2,881,532
Total assets		
Liabilities		
	2,311	2,613
Trade and other payables	1,204	648
Outstanding investment settlements	10,278	7,354
Current tax liabilities	3,042	16,534
Deferred tax liabilities	16,835	27,149
Total liabilities	2,757,612	2,854,383
Net assets available to pay benefits	2,854,383	2,671,754
Represented by liabilities for accrued benefits		
Allocated to members' accounts	2,745,210	2,843,744
ORFR Reserve	8,036	6,359
Unallocated to members' accounts	4,366	4,280
Total liability for accrued benefit	2,757,612	2,854,383

Operating Statement for the year ended 30 June 2020	2020 \$'000	2019 \$'000
Investment revenue		
Interest	5,429	10,221
Dividends	9,500	11,232
Distributions	74,780	93,883
Changes in net market value of investments	(150,423)	83,600
Total investment revenue	(60,714)	198,936
Contribution revenue		
Employer contributions	207,659	200,684
Members' contributions	37,288	38,778
Transfers from other funds	162,822	187,997
Total contribution revenue	407,769	427,459
Other revenue		
Group Life Insurance Proceeds	6,279	4,483
Other	5,198	31
Total other revenue	11,477	4,514
TOTAL REVENUE	358,532	630,909
Direct investment expenses	4,828	4,470
General administration expenses		
Operating expenses	16,726	18,178
Group life insurance premiums	12,335	13,245
Total general administrative expenses	29,061	31,423
TOTAL EXPENSES	33,889	35,893
Benefits accrued as a result of operations before income tax	324,643	595,016
Income tax (expense)/benefit	17,113	36,606
Benefits accrued as a result of operations	307,530	558,410

For the curious: ² Buy-sell spreads and other incidental transaction costs apply to all managed investment options. Buy-sell spreads and other transaction costs are retained within the managed investment and are not fees paid to ING or the Trustee. The Trustee may replace one or more of the underlying investment managers which may affect the fee structure for the investment options. In addition, other factors may arise which may cause the fee structure for Living Super to change. Should this occur, the trustee may vary the fees for ING Living Super without your consent by giving at least 30 days' notice where an increase applies. Living Super is not available to U.S. Persons.



Finally



Online annual report

The Trustee makes this 30 June 2020 annual report available online at ing.com.au.

You can request a printed copy by calling 133 464.

Indemnity insurance

The Trustee has taken out indemnity insurance.

Temporary residents

The Australian Government requires temporary residents' unclaimed super be paid to the ATO after at least 6 months have passed since the later of:

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

Once your benefit has been transferred to the ATO, you need to claim it directly from the ATO. We will not notify you or provide you with an exit statement if your benefit has been transferred to the ATO. The Trustee relies on the relief provided by ASIC that it is not obliged to meet certain disclosure requirements in relation to non-residents whose benefits have been transferred as a result of the payment of unclaimed superannuation to the ATO. If your benefit has not yet been transferred to the ATO, you may be able to claim it as a Departing Australia Superannuation Payment (DASP).

Full information regarding DASP procedures and current taxation rates can be found at ato.gov.au.

Privacy Statement

The ING Superannuation Fund Privacy Policy details how we treat your personal information. The following provides an overview of the key aspects of the ING Superannuation Fund Privacy Policy. For the purposes of the ING Superannuation Fund Privacy Policy the terms 'we', 'us' or 'our' refer to the ING Superannuation Fund (Fund) and/or ING in its capacity as promoter of the Fund (ING).

Collection of your personal information

Ordinarily, we'll collect most personal information about you directly from you. For instance, your personal information will be collected when you complete an application form or provide other forms of instructions relating to your account in the Fund, when you apply for insurance or submit an insurance claim or in response to a request for additional information. Occasionally we may need to obtain personal information about you from a third party, but only if you've consented to us collecting the information in this way or you would reasonably expect us to collect the information about you in this way.

Use and disclosure of your personal information

We'll collect personal information to provide you with information about a financial product or service; to assess your application and eligibility for financial products or services including those in relation to the Fund; to establish and manage your account in the Fund; to administer our relationship with you; to communicate with you about us and the products and services we offer, and when it's necessary for, or related to, these purposes.

We'll also need to collect personal information necessary to comply with our legal and regulatory obligations. If you don't provide the personal information that we request, we will generally not be able to provide you with products or services in relation to the Fund. It may be necessary for us to disclose your personal information to certain ING Group entities or third parties in order to assist us in providing, managing and administering your account in the Fund or for other related purposes. These include:

- the administrator of the Fund undertaking the administration and day-to-day operation of the Fund; including establishing and maintaining member records, processing contributions, rollovers and benefits, and providing regular statements;
- the custodian of the Fund providing custody services;
- the insurer responsible for providing insurance cover and assessing insurance claims to members of the Fund;
- the broker or share trader responsible for buying and selling of listed securities;
- the provider of financial tools and calculators on the designated Fund website;
- the ATO as required by law, to administer your account in the Fund, to conduct searches on the ATO's Lost Member Register and to facilitate the consolidation of your superannuation with your consent;
- Government authorities as required or desirable in administering and conducting the business of the Fund, including in complying with relevant regulatory or legal requirements;
- the trustee of another fund where you request that your superannuation be transferred from another superannuation fund into your interest in the Fund or where you request that your superannuation be transferred into another superannuation fund;
- organisations providing financial planning services with which we have entered into an agreement for them to provide financial planning advice services to members of the Fund;



Finally (continued)

- your financial adviser, your power of attorney, or your appointed representative;
- entities in the ING Group in order to service the Fund or other products you may have within these Groups;
- ING Group entities located overseas for administration and security purposes;
- any third party product and service supplier that we have an arrangement with (so that either us or they may provide you with the product or service you have requested or in which you have expressed an interest);
- organisations who perform services or functions on our behalf;
- organisations undertaking reviews of the accuracy and completeness of our information;
- organisations undertaking identity verification services to verify information about you including your identity; and
- doctors, medical services or other organisations providing services in the collection, collation or assessment of personal information (including health information) for the purpose of assessing your claim.

Any example used above to indicate when we might disclose personal information may not be limited to those examples (or examples of a similar kind). Personal information will only be disclosed to third parties other than those listed above if you have consented; if you would reasonably expect us to disclose information of that kind to those third parties; if we are authorised or required to do so by law; or if it is necessary to assist with law enforcement.

We may have to send personal information overseas for example, if required to complete a transaction or where we outsource a function to an overseas contractor. Your personal information may be accessed by staff in ING Group entities in Singapore and the Netherlands if necessary to administer our relationship with you, for transactional reasons or to comply with regulatory requirements applying to us or the ING Group.

Marketing

We, or other ING Group entities, may provide you with further information about ING Group products and services unless you tell us not to. If you have provided an email address to us, we may contact you using that email address, including to provide you with information about us and the products and services that we and the ING Group offer. You may elect not to receive further information about us or our products and services by contacting us online, calling or writing to us.

Access to your personal information

You may request access to limited amounts of personal information that we hold about you that are readily available

– such as your account balance or personal details – by calling us on 133 464. For a more detailed request for access to information that we hold about you, you will need to write to the ING Privacy Officer at GPO Box 4094, Sydney NSW 2001. Please note that requests for access to your personal information may only be made by you or by another person who you have authorised to make a request on your behalf, such as a legal guardian or an authorised agent. We will require you to verify your identity, or the identity of your representative, to our reasonable satisfaction. Depending on the nature and/or volume of the information that you request, an access charge may apply, but not to your request for access itself.

Updating your personal information

We take reasonable steps to ensure that your personal information is accurate, up-to-date, complete, relevant and not misleading. For instance, we may ask you to confirm some of your details when you contact us. However, please contact us if you learn that any your personal information that we hold is incorrect, has changed or requires updating.

Privacy Complaints

We are committed to resolving your privacy complaint as quickly as possible and have procedures in place to help resolve any problems or complaints efficiently. For more information on how to make a privacy complaint, please refer to the ING Superannuation Fund Privacy Policy available online at ing.com.au.

How to contact us

If you have any further questions about privacy in relation to the ING Superannuation Fund, please contact us by:

- calling 133 464;
- emailing customer.service@ing.com.au;
- writing to:

ING Privacy Officer

GPO Box 4094
Sydney NSW 2001

Our privacy statement may be updated from time to time as we strive to improve the standard of service we provide to you.



Finally (continued)

Further information

A copy of the Privacy Policy is available at ing.com.au. The Privacy Policy contains further details about our handling of personal information, including how you may access and update your personal information and how we deal with your concerns.

Surcharge Payments

ATO surcharge payments (if any) are deducted from member accounts.

Administration Fee – ORFR

Super funds are required by APRA to hold capital reserves to cover the risk of loss to members from an operational risk. This is known as the Operational Risk Financial Requirement (ORFR).

The aim of this is to ensure that trustees have access to resources to compensate members for any operational incident that may adversely impact their benefits.

As at 1 December 2019 the ORFR fee is 0.02% p.a. This applies to all customers to any associated administration costs on an ongoing basis.

The balance of the Fund ORFR reserve as at 30 June 2020 was **\$8,102,666.53**.

The Fund's ORFR reserve is currently invested in a separate investment option with State Street which mirrors the Fund's Balanced Option. We reserve the right to change this and/or the investment strategy of the ORFR at any time.

Details of the Fund's ORFR Reserve and its balances of the last 3 years are listed below:

Date	Balance of ORFR Reserve
30 June 2018	\$2,889,829.26
30 June 2019	\$6,359,157.93
30 June 2020	\$8,102,666.53

Eligible Rollover Fund

We may transfer your super account or benefits to an Eligible Rollover Fund (ERF) where:

- we cannot get in touch with you; or
- you do not respond to our requests to transfer your Super account or benefit to another super fund; or
- you have an account balance that's less than \$1,000; or
- you have not met the minimum requirements of the Balanced option; or
- any other reason as determined by the Trustee.

The ERF that we have selected is the Australia's Unclaimed Super Fund (AUSfund). Its postal address is:

Locked bag 5132
Parramatta NSW 2124

If you would like further information on AUSfund, please contact them on 1300 361 798 or email admin@ausfund.net.au.

Transferring your Super account to an ERF will have the following effect on your benefit:

- you will no longer have an account in ING Living Super;
- you will become a member of the ERF and your benefits will be invested according to the investment strategy of the ERF;
- you will have no insurance cover in ING Living Super and the ERF does not provide any insurance cover; and
- the ERF will have different fees and charges to that of ING Living Super.



Contact us



At ING Living Super, we will try our best to answer your enquiries over the phone in a prompt manner.

Please call a Customer Care Specialist on:

133 464 between 8am – 8pm (AEST/AEDT) Monday to Friday.

If it cannot be dealt with over the phone, you can send us a message via Online Banking by selecting My Messages or write to:

ING
GPO Box 4307
Sydney NSW 2001

Making a complaint

At ING Living Super we will try our best to resolve your issues over the phone in a prompt manner.

Please call:

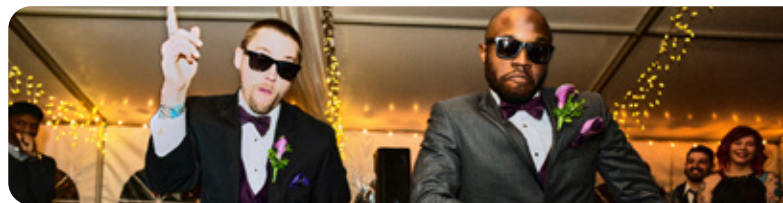
133 464 between 8am – 8pm (AEST/AEDT) Monday to Friday to let us know if you have an issue.

If it cannot be dealt with over the phone, you can send us a message via Online Banking and selecting My Messages or write to:

Complaints Officer ING
GPO Box 4307
Sydney NSW 2001



Living Super partners



Trustee

Diversa Trustees Limited, ABN 49 006 421 638, AFSL 235153, RSE L0000635, is the Trustee of the ING Superannuation Fund, ABN 13 355 603 448, (Fund). ING Living Super is a product issued out of the Fund.

Promoter

ING is a business name of ING Bank (Australia) Limited, ABN 24 000 893 292, AFSL 229823, and is the Promoter of ING Living Super.

Insurer

The insurance cover offered by ING Living Super is provided by MetLife Insurance Limited ABN 75 004 274 882, AFSL No. 238096.

Investment managers

ING Bank (Australia) Limited, ABN 24 000 893 292, AFSL 229823, ACL 229823, is the investment manager of the managed investment options, Cash Hub and Term Deposits. ING may appoint one or more sub-investment managers from time to time to manage the investments within the Fund.

Share broker

The share broker for ING Living Super is CommSec Adviser Services, trading as Australian Investment Exchange Limited (AUSIEX) ABN 71 076 515 930, AFSL 241400, a Participant of the ASX Group and Chi-X Australia.

Custodian

The custody of the managed investment assets within ING Living Super and unit pricing are provided by State Street Australia Limited ABN 21 002 965 200, AFSL 241419.

Administrator

The administration of the accounts within ING Living Super is provided by Financial Synergy Holdings Pty Limited, ABN 27 005 484 391.

