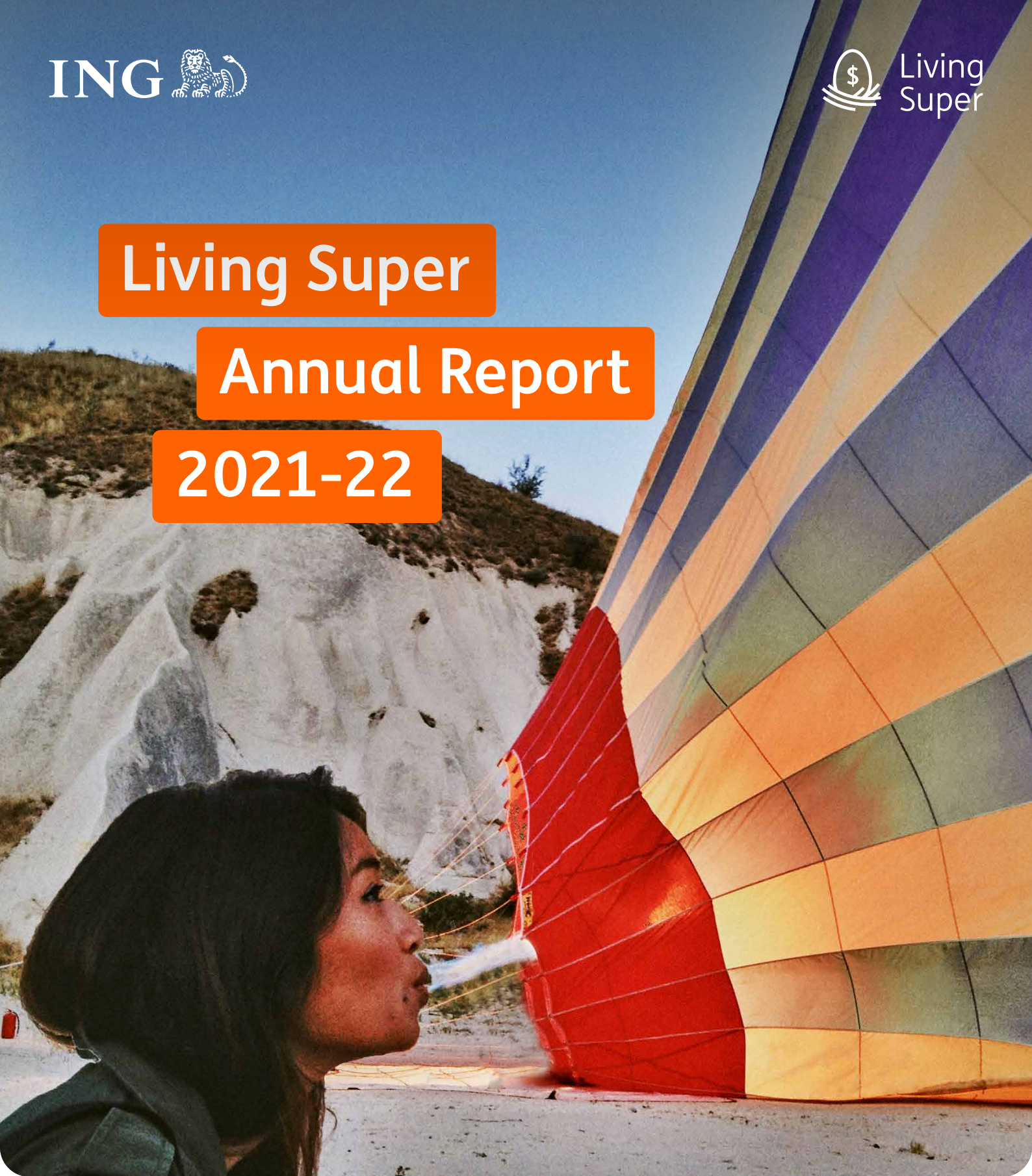


# Living Super

# Annual Report

# 2021-22



<sup>1</sup> SuperRatings does not issue, sell, guarantee or underwrite this product. Go to [superratings.com.au](https://superratings.com.au) for details of its rating criteria.



do your thing

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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. 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 2021-2022, 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 2022. 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](http://ing.com.au) in deciding whether to acquire, or to continue to hold, the product. ING SUP00071 11/22

It's your other

savings account

Visit [ing.com.au](http://ing.com.au)

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.



# Head of Retail report

## Executive Summary – Living Super

I'm pleased to report that over the last 12 months, ING's Living Super product continues to support our members in their retirement journey despite a challenging environment which has put pressure on our funds under management due to market volatility.

Despite these challenges, we continue to offer a competitive superannuation offering, designed to help customers make the most of their money to support their retirement goals, while ensuring we comply with changes to superannuation legislation.

This is evident in the fact that Living Super has maintained its Gold rating ("good value for money superannuation fund") for a 5th year in a row from independent research and ratings group, SuperRatings.

## Helping customers do their thing in retirement

We continue to provide choice and value by enabling customers to select from our diversified investment options across a broad range of risk profiles, or mix and match their investments to suit their personal preference.

Like any good relationship, it's important we listen to the voice of the customer to ensure we're meeting their needs. At our annual member meeting, customers were invited to hear directly from the trustee and ING, and given the opportunity to ask questions of a general nature about how the Fund is managed.

## Looking ahead to a brighter future

As we exit the pandemic with renewed optimism, 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.

Read on for a snapshot of Living Super's performance and how we're giving customers' confidence when planning for their future.

Kind regards,



**András Hamori**  
Head of Retail, ING



# Legislative changes & product updates

## Legislative Changes

### Retirement Income Covenant

On 10 February 2022, legislation was passed to amend the Superannuation Industry (Supervision) Act 1993 (SIS Act), requiring all APRA-regulated trustees to comply with the Retirement Income Covenant ('the covenant'). The trustee of Living Super, Diversa Trustees Limited ("Trustee") has formulated and reviewed the retirement and pension products available to members and the types of support available to assist members in their retirement.

The Trustee has summarized the Living Super Retirement Income Strategy and made it available on our website.

### The duty to take reasonable care not to make a misrepresentation

On 1 September 2021, Metlife Insurance Limited (the insurer for Living Super) elected to opt-in to replace the "duty of disclosure" with a "duty to take reasonable care not to make a misrepresentation" for Tailored and Income Protection Cover provided through Living Super.

The amendments, which followed the recommendations of the Hayne Royal Commission, commenced on 1 September 2021 and applies to all new applications for Tailored Cover or Income Protection Cover, applications to extend or change existing cover (where the changes involve an increase in the sum insured or an application for an additional type of cover) or when you apply to reinstate insurance.

## Contribution changes

### Concessional contribution cap

In addition the annual concessional contribution cap has increased to \$27,500 for all ages, for the period 2022/2023.

### Changes to the bring forward rule

From 1 July 2022, the age limit which allows you to 'bring forward' up to 3 years of non-concessional contributions has been increased from 67 to 75. For individuals aged 75 and over, a superannuation fund can only accept eligible employer contributions and downsizer contributions.

### Changes to the work test

From 1 July 2022, all individuals younger than 75 years old are now allowed to make or receive non concessional contributions and salary sacrifice contributions without meeting the work test. However individuals between 67-74 will still have to meet the work test to make personal deductible contributions. When making a claim for personal deductions in their income tax return, the ATO will now conduct the work test on those aged between 67-74.

## Downsizer contribution changes

Effective 1 July 2022, the eligibility age for downsizer contributions will be lowered from 65 to 60 years of age. Previously individuals aged 60 to 64 were not able to make downsizer contributions due to their age.

### First home super saver (FHSS) scheme release

The maximum amount of voluntary contributions and associate earnings that can be withdrawn under the FHSS scheme has been increased from \$30,000 to \$50,000 effective 1 July 2022. No change has been made to the amount of eligible contributions that can count towards your FHSS maximum releasable amount for each financial year, which remains at \$15,000.

Removal of the monthly minimum threshold for salary or wages to count towards the superannuation guarantee.

From 1 July 2022, the minimum income threshold of \$450-a-month for payment of superannuation guarantee payments will be removed. This means employers will be required to make the compulsory superannuation guarantee payments on behalf of all employees 18 or over.

### Changes to our fee disclosures

In order to comply with our fee disclosure requirements, Living Super has updated its fee tables. From 30 September 2022, the previously disclosed fee, Indirect Costs Ratio, is now captured under Transaction Costs.

The table below outlines the split between Gross Transaction Costs, Buy/Sell Spread Recovery and Net Transaction Costs. Where previously the Indirect Costs Ratio was equal to the Net Transaction Costs.

The table below outlines how much of each investment option's transaction costs were recovered by the buy-sell spreads shown below. Net transaction costs are an additional cost to you paid from the assets of the Fund<sup>^</sup>.

	Gross Transaction Costs	Buy/Sell Spread Recovery	Net Transaction Costs*
Australian Fixed Interest	0.00%	0.01%	0.00%
Australian Listed Property	0.02%	0.05%	0.00%
Australian Shares	0.01%	0.02%	0.00%
Balanced	0.03%	0.03%	0.01%
Cash	0.00%	0.00%	0.00%
Conservative	0.02%	0.02%	0.02%
Growth	0.03%	0.03%	0.01%
High Growth	0.03%	0.03%	0.01%
International Fixed Interest (Hedged)	0.06%	0.02%	0.04%
International Shares	0.01%	0.02%	0.00%
International Shares (Hedged)	0.07%	0.04%	0.03%
Moderate	0.03%	0.03%	0.01%

\*where the Buy/Sell Spread Recovery exceeds the Gross Transaction Costs, the Net Transaction costs figure has been disclosed as nil. The Net Transaction Costs figure may not exactly equal Total Transaction Costs less Buy/Sell Spread Recovery due to rounding differences.

<sup>^</sup>Please refer to the Living Super PDS and Product Guide for more explanation of how and when Transaction Costs, including Buy/Sell spreads, are charged.



# Market update

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

**2021-22 (FY22) Financial Year** turned into a challenging environment for financial markets around the globe. Recently, in Australia we have experienced a steep rise in inflation, which often occurs when interest rates have been maintained at a low level. In June, the Reserve Bank of Australia (RBA) increased the cash rate for a second time to 0.85%. The objective to bring inflation down leading to higher bond yields i.e., lower bond prices and making shares and property less attractive. This has meant investment returns have been more volatile in FY22 and much lower compared to FY21.

For members of Australian superannuation funds FY22 ended the year with an average loss between -3 and -3.5% for superannuation options with 60-80% exposure to growth assets such as shares. That has only happened five times since the introduction of the compulsory superannuation system in 1992. However, superannuation members should keep in mind the sector had returned a median 7% a year over the past 30 years.

War, inflation, and central banks willingness to increase interest rates pushed Australia's share market to a financial year loss for only the third time this decade, as the benchmark S&P/ASX 200 Index finished -6.5% lower in FY22.

When looking back over FY22, it is interesting to note that the signs where the inflation genie was creeping out of the bottle was as early as August 2021. As the world slowly came out of COVID induced lockdowns US Federal Reserve Chairman Jerome Powell identified potential overlapping root causes that could drive inflation higher, including disruptions to supply chain (including shipping costs, Chinese extended lockdowns, and semiconductor shortages) and the evidence of tight labour markets with different demand conditions. In addition, the International Monetary Fund warned that elevating energy prices could begin to chip away at global growth because inflation will persist if energy prices kept their steady climb. In the US there was an expectation that the US Federal Reserve (US Fed) would start easing its bond purchasing program to push interest rates higher and curb inflation expectations, especially as the US had over a million job vacancies that would force wage rises and annual inflation more than 5%.

Elsewhere in the world, economic data from the UK indicated that their economic rebound had stalled. Consumer confidence was falling, and the construction sector was contracting due to shortage of materials. In addition, gas and electricity prices were rising coupled with value added tax (VAT) going back up. However, in the Eurozone the picture was more bullish. Consumer activity returned to pre-pandemic levels. Shopping, eating out, travel and cinema visits all increased in a sign of returning consumer confidence across the eurozone.

The European Central bank debated whether the surge in prices was temporary or structural. Emerging market economies contracted, led by China's property (with potential risk to the banking sector) on the back of China's second-biggest real estate developer Evergrande warning it could default on its astronomical debt because of cashflow issues.

Australian economic data in the first quarter was mostly solid. Home approvals rose, credit growth was stronger than expected, and housing finance was at near record highs. Not surprising as Australian house prices surged by 20.3% for the year to September 2021.

As we moved through to December 2021 the availability and rapid distribution of vaccines enabled global economies to re-open. Risky asset classes enjoyed a spectacular 2021, powered by a potent combination of low interest rates, re-opening of economies and a strong earnings recovery. Developed market equity returns for the 12 months to December 2021 were in the very respectable mid to high 20%. However, at the tail end of 2021 due to record low interest rates being maintained by central banks, inflation pressures appeared. The US recorded 6.1% annual inflation by November 2021, its highest level in 20 years. Inflation also rose sharply in Europe and Australia.

Global markets (and the world) retreated on the shock news of Russia's invasion of Ukraine on 24 February 2022. European markets fell due to the region's close ties with Ukraine and Russia, particularly when it comes to reliance on Russian oil and gas, and Ukrainian wheat. Commodity prices soared whilst the broader stock indices went negative. Conversely, Australian markets were supported by an increase in commodity prices, miners, oil, gas producers and agricultural companies all benefited from higher prices caused by supply concerns. Bond yields rose sharply, and bond prices experienced negative returns (bond prices and yields move in opposite directions) due to ongoing inflationary pressures. March 2022 was the worst month in history for the Australian bond market, down -3.75%.

After years of falling interest rates down to near zero per cent (intention of encouraging borrowing and supporting markets), towards the end of FY22 central banks around the world commenced a major regime change. Now, central banks around the world are focused on suppressing supply inflation (due to an increase in prices of goods and services) through raising interest rates to quell inflation. The result has been a continued major movement in fixed income markets during the final quarter of FY22. As inflation rates grew higher and investors priced in further interest rate rises across economies. Including Australia, returns from fixed interest markets continued to generate negative returns.

The future is, to a considerable extent, unknowable. However, at present there is a strong narrative in



financial markets that the current inflation rate, which is significant, is likely to persist. As a result, central banks around the world are rapidly raising interest rates with the potential consequence of stress in household debt repayments, impacting spending levels and economic activity. Fortunately, Australia is rich in resources, energy, agriculture, education, services, and tourism, and has shown to be resilient against economic shocks including the pandemic.

Superannuation members should remember that super is a long-term investment and that on average Australian funds continue to provide strong long-term returns and continue to outperform a typical CPI + 2.50% investment objective.

### Australian Markets

The Australian share market slumped in FY22 losing -6.5%. Quite a different story to FY21 when the S&P/ASX 200 Accumulation Index (including the benefit of dividends) returned +27.8%, its best financial year performance since 1987.

Investors that kept faith in FY21 winning sectors such as Information Technology and Consumer Discretionary suffered the most in FY22, down -38.2% and -20.9% respectively. Whilst the unfashionable Energy sector dominated by carbon intensive companies returned +30.1% for the financial year.

The biggest losers in the Technology sector were Megaport (-67.9%), EML Payments (-65.4%), Zip (-94.0%) Life360 (-57.6%) and Block (-48.8%), which formally acquired Afterpay earlier this year.

As the COVID pandemic effect reversed during FY22 e-commerce stocks such as Marley Spoon (-92.8%), Booktopia (-91.6%), Cettire (-85.8%), Kogan (-75.1%), Airtasker (-78.0%), Adore Beauty (-76.9%) and Freelancer (-76.5%) were severely marred.

Amongst the top twenty blue-chip stocks there was a wide dispersion of returns. Woodside (+34.9%), Macquarie (+4.8%), and Coles (+6.3%) delivered positive returns, while James Hardie (-28.0%), Wesfarmers (-28.6%) and Westpac (-23.6%) suffered significant drops in their share price over the past 12 months.

The rising interest rate environment did not translate into improved returns from the bank stocks as investors fear an economic slowdown. FY22 returns from the four major banks were CBA (-8.9%), ANZ (-21.6%), Westpac (-23.6%) and NAB (+4.7%).

In the small capitalisation end of the Australian sharemarket, top of the table were lithium juniors AVZ Minerals (+387.5%), Core Lithium (+306.4%) and Lake Resources (+115.1%). Diversified artificial intelligence company Brainchip also provided a stellar return in FY22 (+64.9%).

Barring any further macro-economic shocks, FY23 is expected to be calmer for the broader Australian equity market as the effect of interest rate increases on bringing inflation down in the second half of FY23 take hold. More specifically strategists are predicting that the commodity boom will start to fade as elevated prices and rising interest rates take their toll on demand for iron ore and crude oil, pressing pause on the sector's spectacular bull run.

### Global Markets

Global equity markets started FY22 in decent shape, especially developed market equities as economies re-opened following mass vaccination programs. The MSCI World ex-Australia Index (unhedged) was up +3.9% for the September 2021 quarter and another +7.3% for the December 2021 quarter. Global markets were driven by strong company earnings and the US Fed's hesitance to tighten monetary policy too fast.

As the year went on sentiment around developed economies in relation to the pandemic shifted to "living with COVID" resulting in developed countries GDP and employment returning to pre-COVID levels.

In contrast Emerging Markets (unhedged) were down -6.3% for the first six months. China is a major factor given its large weight of around 34% in the benchmark. This means Chinese domestic demand political and economic developments, as well as Sino-US relationship is critical to the performance of Emerging Markets.

Global markets were rocked in February 2022 by Russia's invasion of Ukraine, causing Europe's largest refugee crisis since World War II. European markets fell in Q1 2022, markets experiencing a technical correction (-10%). Commodity prices soared given Russia is a key producer of several important commodities including oil, gas, and wheat. Oil prices hit highs in the wake of soaring global energy prices. The result has been a sharp spike in inflation around the world. US headline inflation hit 8.6%, Germany 8.7%, UK 7.9%, France 5.2% and Australia 5.1%. These inflation numbers forced bond yields to rise sharply and bond prices to fall around the world. Conversely, Australian markets were buoyed by the increase in commodity prices, miners, oil and gas producers and agricultural names all benefited from higher prices caused by supply concerns.

Global equity markets continued to weaken in last quarter of June 2022 with the MSCI World ex Australia (with net dividends reinvested) Index for FY22 returning -6.1% on an unhedged basis while the hedged return of -10.8% was due to the weakness of the Australian dollar against the world's major currencies.

The MSCI Emerging Markets Index (unhedged) declined -18.1%. The outlook for emerging market equities may suffer from weaker global growth and a stronger US dollar, however the Chinese economy appears not to be experiencing rising inflation, for the present.

In terms of regions for the year the US was down -12.8%, Europe (ex UK) -6.8%, China -10.07% and Japan -1.6%.

The dominant theme for global equity markets is that central banks are now clearly focused on high inflation and are prepared to sacrifice growth in pursuit of price stability.

### Australian and International Property

Negative returns from the Australian listed property trusts (A-REITs) market surpassed Australian sharemarket returns, down -12.3% for FY22 underperforming the Australian share market by -5.8%.

Global Real Estate Investment Trusts (G-REITs) also had a poor year returning -10.5% (hedged) for 12 months to June 2022.



## Cash, Fixed Interest and Corporate Bonds

The RBA delivered two interest rate decisions/hikes in FY22, increasing the cash rate from 0.10% to 0.35% in May 2022 and increasing the cash rate by a larger than expected 0.50% to 0.85% in June 2022. At the time the RBA noted the tightening “is a further step in the withdrawal of the extraordinary monetary support that was put in place to help the Australian economy during the pandemic.”

Australian long bonds – 10-year government bond yields moved sharply higher, resulting in the Bloomberg Composite Bond Index losing -10.5% in FY22, exceeding the -8% loss in the 1994 bond-sell-off.

With the US Fed seeking to slow the US economy and take the heat out of the US labour market and wages growth the US Fed raised the federal funds key interest rate for the first time since 2018 three times in FY22, from 0.25% to 1.75%. These hikes resulted in the global bond market, as represented by the Bloomberg Barclays Global Aggregate Hedged Index falling -9.3% for the year.

### Australian Dollar (AUD) Exchange Rate

The AUD started the FY22 near US\$75 cents and again traded sideways for much of FY22 until concerns about ongoing pandemic will influence China's economic growth and therefore demand for Australia's commodities. The AUD finished June 2022 around US\$ 0.70 cents.

The lower the AUD falls, the more upward pressure it will put on inflation and therefore cost of living due to the AUD does not go as far when purchasing goods and services from overseas.

### Outlook

FY22 was a tough year for investors and superannuation members instigated by the tragic war in Ukraine, followed by a global energy shock and global central banks response to fighting inflation by commencing a series of interest rate hikes.

The key message from global central bankers is that the low inflation rate environment is behind us, and that monetary policy tightening will continue in FY23 on the back of the worst inflation breakout in decades. By central banks committing to bringing inflation down, it increases the risk of an economic recession. Recessions are considered an unavoidable part of the business cycle and is defined as a significant decline in economic activity that can last for months or even years.

Sharemarkets are likely to see continued short-term volatility as central banks grapple with high inflation, the war in Ukraine continues and fears of a recession remain elevated. However, if it becomes apparent that central banks have started to win the battle against inflation, confidence should return to the capital markets, and we could see reasonable returns from shares towards the end of FY23.

In respect of the bond market, it is expected that inflationary pressures will subside through next calendar year allowing central banks to consider an interest rate cut, stopping aggressive tightening, bond returns should start to improve.

Unlisted commercial property returns may continue to remain weak, especially in the retail and office sectors due to structural changes in behaviors post-COVID. However, unlisted infrastructure should provide stable returns.

Australian home prices expected to continue to fall on the back of higher mortgage rates and poor affordability.

Cash and bank deposit returns over FY23 will see improvements as the RBA increases the cash rate until actual inflation is sustainably within their 2% to 3% target range.

The AUD is deemed to be prone to rises and falls with the price and demand for commodities, however it is expected to remain subdued driven by concerns about demand for Australian exports to China and the continued strength in the US dollar against a basket of currencies.

It is accepted that no one likes to see their superannuation balance fall in value but periodic falls in sharemarkets should be regarded as normal. Predicting short-term movements in asset prices is virtually impossible therefore it is more appropriate to view superannuation as a long-term investment. Over the longer term returns from superannuation have proved to be solid, returning a median +7% a year over the past 30 years.

**The material in the Market update section is provided by Jake Jodlowski, Principal, Atchison Consultants, July 2022.**

**Investment returns are not guaranteed. Past performance is not a reliable indicator of future performance.**



# Living Super investments

With 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.

## Living Super investment menu

With 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	<b>Term deposits</b> 3 month term deposit 6 month term deposit 1 year term deposit 2 year term deposit (only available for <i>super accounts</i> )	<b>Multi sector managed investment options</b> Growth option High growth option Moderate option Conservative option	<b>Automatic Cover</b>
	<b>Single sector managed investment options</b> 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	<b>Listed securities</b> Shares included in the S&P/ASX 300 index and approved ASX listed exchange traded products	<b>Tailored Cover</b> Death and/or TPD • Life stage • Fixed premium • Level of cover  <b>Income Protection</b> Different waiting periods Different benefit periods





## Take greater control of your superannuation

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.<sup>4</sup>

### 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. 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 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 Living Super website for the latest fees and costs information. Living Super is not available to U.S. Persons.

## Investment categories and investment options

### Term deposits

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

### Multi sector managed investments

- Conservative
- Moderate
- Growth
- High Growth

### Single sector managed investments

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

### Multi sector managed investments

- Conservative
- Moderate
- Growth
- High Growth

### Listed securities

- Exchange Traded Products
- Shares included in the S&P/ASX 300

### 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.

<sup>4</sup> Living Super Term Deposit rates are available at [ing.com.au](http://ing.com.au).



## Investment menu

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

Category	Investment options	Investment objectives	Benchmark	Investment strategies	Guidelines, strategic asset allocation and ranges	Who is the target market?	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 Rate before fees and taxes.	The strategy for the Cash Hub is to substantially invest the assets on deposit with ING.	Cash 100%	Your 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 the benchmark.	RBA Cash Rate before fees and taxes.	The strategy for the Cash Option is to 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 is to invest in wholesale term deposits issued by ING. Investments will be for the term as selected and transferred to the Cash Hub on maturity unless you elect to automatically reinvest in a new Term Deposit option of the same term.	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 &amp; paid on maturity. Only available in super accounts</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. Only available in super accounts						
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. Only available in super accounts																					

\* These investment objectives are not promises of returns on any investment.



Category	Investment options	Investment objectives	Benchmark	Investment strategies	Guidelines, strategic asset allocation and ranges	Who is this suitable for?	Risk label	Investment horizon	
Select	Conservative	Aims to achieve medium to long-term capital growth with <i>income</i> built into the unit price.  Benchmark: 0.75% average annual return above inflation ( <i>CPI</i> ) over rolling 4 years after <i>investment fees</i> and taxes.	N/A	The long-term asset allocation is 30% growth assets and 70% defensive assets. Asset allocation is balanced back to the long-term target.	Strategic asset allocation		Investors who are seeking a higher return than available from Cash and who are prepared to accept a moderate exposure to <i>growth assets</i> .	High risk	At least 4 years
					Asset class	Range			
					<b>Australian Shares</b>	14%			
					Australian Shares	0-30%			
					<b>International Shares</b>	14%			
					International Shares	0-20%			
					International Shares (Hedged)	0-20%			
					Emerging Market Equities	0-5%			
					<b>Property</b>	2%			
					Australian Listed Property	0-10%			
					<b>Fixed Interest</b>	60%			
					Australian Fixed Interest	0-40%			
					International Fixed Interest	0-30%			
					Australian Investment Grade Credit	0-30%			
<b>Cash</b>	10%								
Cash	0-30%								
Select	Moderate	Aims to provide medium to long-term capital growth with <i>income</i> built into the unit price. Benchmark: 1.5% average annual return above inflation ( <i>CPI</i> ) over rolling 6 years after <i>investment fees</i> and taxes.	N/A	The long-term asset allocation is 50% growth assets and 50% defensive assets. Asset allocation is balanced back to the long-term target.	Strategic asset allocation		Investors who are seeking a higher return than available from Cash and who are prepared to accept a moderate exposure to <i>growth assets</i> .	High risk	At least 6 years
					Asset class	Range			
					<b>Australian Shares</b>	23%			
					Australian Shares	5-40%			
					<b>International Shares</b>	22%			
					International Shares	0-20%			
					International Shares (Hedged)	0-20%			
					Emerging Market Equities	0-7%			
					<b>Property</b>	5%			
					Australian Listed Property	0-10%			
					<b>Fixed Interest</b>	45%			
					Australian Fixed Interest	5-35%			
					International Fixed Interest	5-25%			
					Australian Investment Grade Credit	0-20%			
<b>Cash</b>	5%								
Cash	0-25%								

Table continues over next page



Category	Investment Options	Investment objectives	Benchmark	Investment strategies	Guidelines, strategic asset allocation and ranges	Who is this suitable for?	Risk label	Investment horizon																																													
Select	Growth	Aims to provide long-term capital growth with income built into the unit price. Benchmark: 2.25% average annual return above inflation (CPI) over rolling 8 years after investment fees and taxes.	N/A	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.	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Strategic asset allocation</th> <th>Range</th> </tr> </thead> <tbody> <tr> <td><b>Australian Shares</b></td> <td><b>33%</b></td> <td></td> </tr> <tr> <td>Australian Shares</td> <td></td> <td>15-48%</td> </tr> <tr> <td><b>International Shares</b></td> <td><b>30%</b></td> <td></td> </tr> <tr> <td>International Shares</td> <td></td> <td>0-25%</td> </tr> <tr> <td>International Shares (Hedged)</td> <td></td> <td>0-25%</td> </tr> <tr> <td>Emerging Market Equities</td> <td></td> <td>0-10%</td> </tr> <tr> <td><b>Property</b></td> <td><b>7%</b></td> <td></td> </tr> <tr> <td>Australian Listed Property</td> <td></td> <td>0-15%</td> </tr> <tr> <td><b>Fixed Interest</b></td> <td><b>27%</b></td> <td></td> </tr> <tr> <td>Australian Fixed Interest</td> <td></td> <td>0-25%</td> </tr> <tr> <td>International Fixed Interest</td> <td></td> <td>0-20%</td> </tr> <tr> <td>Australian Investment Grade Credit</td> <td></td> <td>0-10%</td> </tr> <tr> <td><b>Cash</b></td> <td><b>3%</b></td> <td></td> </tr> <tr> <td>Cash</td> <td></td> <td>0-15%</td> </tr> </tbody> </table>	Asset class	Strategic asset allocation	Range	<b>Australian Shares</b>	<b>33%</b>		Australian Shares		15-48%	<b>International Shares</b>	<b>30%</b>		International Shares		0-25%	International Shares (Hedged)		0-25%	Emerging Market Equities		0-10%	<b>Property</b>	<b>7%</b>		Australian Listed Property		0-15%	<b>Fixed Interest</b>	<b>27%</b>		Australian Fixed Interest		0-25%	International Fixed Interest		0-20%	Australian Investment Grade Credit		0-10%	<b>Cash</b>	<b>3%</b>		Cash		0-15%	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
					Asset class	Strategic asset allocation	Range																																														
					<b>Australian Shares</b>	<b>33%</b>																																															
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Select	High Growth	Aims to provide long-term capital growth with income built into the unit price. Benchmark: 3.25% average annual return above inflation (CPI) over rolling 10 years after investment fees and taxes.	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>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Strategic asset allocation</th> <th>Range</th> </tr> </thead> <tbody> <tr> <td><b>Australian Shares</b></td> <td><b>45%</b></td> <td></td> </tr> <tr> <td>Australian Shares</td> <td></td> <td>30-60%</td> </tr> <tr> <td><b>International Shares</b></td> <td><b>40%</b></td> <td></td> </tr> <tr> <td>International Shares</td> <td></td> <td>5-35%</td> </tr> <tr> <td>International Shares (Hedged)</td> <td></td> <td>5-35%</td> </tr> <tr> <td>Emerging Market Equities</td> <td></td> <td>0-15%</td> </tr> <tr> <td><b>Property</b></td> <td><b>10%</b></td> <td></td> </tr> <tr> <td>Australian Listed Property</td> <td></td> <td>0-20%</td> </tr> <tr> <td><b>Fixed Interest</b></td> <td><b>3%</b></td> <td></td> </tr> <tr> <td>Australian Fixed Interest</td> <td></td> <td>0-10%</td> </tr> <tr> <td>International Fixed Interest</td> <td></td> <td>0%</td> </tr> <tr> <td>Australian Investment Grade Credit</td> <td></td> <td>0%</td> </tr> <tr> <td><b>Cash</b></td> <td><b>2%</b></td> <td></td> </tr> <tr> <td>Cash</td> <td></td> <td>0-10%</td> </tr> </tbody> </table>	Asset class	Strategic asset allocation	Range	<b>Australian Shares</b>	<b>45%</b>		Australian Shares		30-60%	<b>International Shares</b>	<b>40%</b>		International Shares		5-35%	International Shares (Hedged)		5-35%	Emerging Market Equities		0-15%	<b>Property</b>	<b>10%</b>		Australian Listed Property		0-20%	<b>Fixed Interest</b>	<b>3%</b>		Australian Fixed Interest		0-10%	International Fixed Interest		0%	Australian Investment Grade Credit		0%	<b>Cash</b>	<b>2%</b>		Cash		0-10%	Investors who are seeking a long term investment with high returns, who accept the possibility of losses in capital.	Very high risk	At least 10 years
					Asset class	Strategic asset allocation	Range																																														
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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		Strategic asset allocation	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		100%			
					Cash		0%			
					Cash		0-5%			
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		Strategic asset allocation	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
					International Shares		100%			
					Cash		0%			
					Cash		0-5%			
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		Strategic asset allocation	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
					International Shares		100%			
					Cash		0%			
					Cash		0-5%			
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		Strategic asset allocation	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
					Property		100%			
					Cash		0%			
					Cash		0-5%			



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.	Strategic asset allocation		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	
					Asset class	Range				
					Fixed Interest	100%				
					Australian Fixed Interest	95-100%				
Cash		0%	Cash		0-5%					
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.	Strategic asset allocation		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	
					Asset class	Range				
					Fixed Interest	100%				
					International Fixed Interest (Hedged)	95-100%				
Cash		0%	Cash		0-5%					
Select	Shares	To provide direct access to shares included in the S&P/ASX 300 and selected exchange traded products.	N/A	Access to constituents of the shares included in the S&P/ASX 300 index and selected exchange traded products listed on the ASX is provided through ING Living Super's share broker.	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	
					Tier	Maximum % in one security				
					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										



### 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 Conservative, Moderate, Balanced, Growth and High 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

ING may appoint one or more sub-investment manager(s) from time to time to manage the investments within the Fund. The amount held with ING as at 30 June 2022 is \$2.586B.

### Single assets valued above 5% of total funds under Management

At the end of the 2021-2022 financial year, the Fund had:

ING Balanced Fund	\$618,903,326.39	20.8%
Cash Hub	\$404,867,487.49	13.6%
ING High Growth Fund	\$243,392,343.82	8.2%
State Street Australian Equities Index Trust	\$233,206,587.00	7.8%
State Street International Equities Index Trust	\$165,076,223.01	5.5%
State Street Global Fixed Income Index Trust	\$157,469,671.10	5.3%
State Street Australian Fixed Income Index	\$146,331,962.71	4.9%

### 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.



## 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 2022. Just remember, past performance is not a reliable indicator of future performance.<sup>4,5</sup>

### Super accounts

Investment option	1 month (%)	3 months (%)	6 months (%)	1 year (%)	2 years (%)	3 years (%pa)	5 years (%pa)	7 years (%pa)	Since inception (%pa)	Inception date
Australian fixed interest	-1.29	-3.30	-8.27	-9.27	-5.18	-2.36	0.56	1.23	2.03	16/08/2012
Australian listed property	-9.13	-15.84	-21.21	-11.00	6.66	-2.63	3.67	4.83	7.63	16/08/2012
Australian shares	-7.45	-10.07	-8.19	-4.63	8.72	3.90	6.84	6.96	8.65	29/08/2012
Balanced (Closed to new members)	-4.68	-7.89	-10.38	-6.55	4.09	2.29	4.43	4.59	6.11	13/08/2012
Cash option	0.03	0.03	0.06	0.10	0.13	0.35	0.78	1.12	1.70	3/09/2012
Conservative	-2.69	-5.11	-7.86	-6.08	n/a	n/a	n/a	n/a	0.71	1/07/2020
Growth	-4.94	-8.30	-10.80	-6.58	4.57	2.60	5.00	5.31	7.32	30/08/2012
High growth	-6.41	-10.24	-12.45	-6.83	7.76	3.92	6.80	7.03	9.77	30/08/2012
International fixed interest (hedged)	-1.06	-4.08	-8.09	-8.07	-4.81	-1.67	0.45	1.34	2.25	16/08/2012
International shares	-4.21	-7.65	-14.77	-5.86	8.47	7.33	9.28	8.59	12.57	29/08/2012
International shares (hedged)	-7.28	-13.67	-17.60	-11.19	8.14	5.77	6.48	7.14	9.88	29/08/2012
Moderate	-4.05	-7.06	-9.75	-6.57	n/a	n/a	n/a	n/a	2.93	1/07/2020

### Pension accounts

Investment option	1 month (%)	3 months (%)	6 months (%)	1 year (%)	2 years (%)	3 years (%pa)	5 years (%pa)	7 years (%pa)	Since inception (%pa)	Inception date
Australian fixed interest	-1.50	-3.85	-9.59	-10.73	-6.01	-2.81	0.58	1.38	2.07	16/08/2012
Australian listed property	-10.18	-17.53	-23.30	-12.26	7.82	-2.95	4.07	5.38	8.34	16/08/2012
Australian shares	-8.07	-10.88	-8.84	-4.95	9.63	4.41	7.52	7.62	9.93	29/08/2012
Balanced (Closed to new members)	-5.10	-8.51	-11.06	-7.04	4.49	2.47	4.83	5.03	6.62	13/08/2012
Cash option	0.03	0.04	0.07	0.12	0.15	0.41	0.91	1.31	1.92	3/09/2012
Conservative	-3.13	-5.92	-9.08	-6.97	n/a	n/a	n/a	n/a	0.67	1/07/2020
Growth	-5.62	-9.43	-12.26	-7.53	4.90	2.73	5.44	5.81	7.99	30/08/2012
High growth	-6.95	-11.11	-13.55	-7.48	8.84	4.35	7.44	7.70	10.53	30/08/2012
International fixed interest (hedged)	-1.28	-4.86	-9.50	-9.46	-5.63	-2.03	0.45	1.52	2.50	16/08/2012
International shares	-4.56	-8.27	-15.88	-6.36	9.02	7.72	10.04	9.32	13.32	29/08/2012
International shares (hedged)	-8.03	-14.97	-19.20	-12.31	9.26	6.50	7.30	7.78	9.74	29/08/2012
Moderate	-4.62	-8.04	-11.06	-7.48	n/a	n/a	n/a	n/a	3.41	1/07/2020

<sup>4,5</sup> The information in the tables above represents the historical performance of the managed investment options available within 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.





## Transition to Retirement accounts

Investment option	1 month (%)	3 months (%)	6 months (%)	1 year (%)	2 years (%)	3 years (%pa)	5 years (%pa)	7 years (%pa)	Since inception (%pa)	Inception date
Australian fixed interest	-1.29	-3.30	-8.27	-9.27	-5.18	-2.36	0.56	1.37	2.06	16/08/2012
Australian listed property	-9.13	-15.84	-21.21	-11.00	6.66	-2.63	3.67	5.08	8.13	16/08/2012
Australian shares	-7.45	-10.07	-8.19	-4.63	8.72	3.90	6.84	7.13	9.57	29/08/2012
Balanced (Closed to new members)	-4.68	-7.89	-10.38	-6.55	4.09	2.29	4.43	4.75	6.41	13/08/2012
Cash option	0.03	0.03	0.06	0.10	0.13	0.35	0.78	1.22	1.85	3/09/2012
Conservative	-2.69	-5.11	-7.86	-6.08	n/a	n/a	n/a	n/a	0.71	1/07/2020
Growth	-4.94	-8.30	-10.80	-6.58	4.57	2.60	5.00	5.50	7.76	30/08/2012
High growth	-6.41	-10.24	-12.45	-6.83	7.76	3.92	6.80	7.24	10.19	30/08/2012
International fixed interest (hedged)	-1.06	-4.08	-8.09	-8.07	-4.81	-1.67	0.45	1.51	2.50	16/08/2012
International shares	-4.21	-7.65	-14.77	-5.86	8.47	7.33	9.28	8.78	12.90	29/08/2012
International shares (hedged)	-7.28	-13.67	-17.60	-11.19	8.14	5.77	6.48	7.20	9.29	29/08/2012
Moderate	-4.05	-7.06	-9.75	-6.57	n/a	n/a	n/a	n/a	2.93	1/07/2020

<sup>4.5</sup> The information in the tables above represents the historical performance of the managed investment options available within 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 the Fund are based on audited balances extracted from the financial statements of the Fund for the year ended 30 June 2022. The full audited financial statements and auditor's report for Living Super will be available at [ing.com.au](http://ing.com.au) by the end of September 2022.

Statement of Financial Position as at 30 June 2022	2022 \$'000	2021 \$'000
<b>Assets</b>		
Investment assets	2,767,281	3,108,798
Tax assets	22,796	-
Other assets	227,189	122,163
<b>Total assets</b>	<b>3,017,266</b>	<b>3,230,961</b>
<b>Liabilities</b>		
Tax liabilities	24,814	48,872
Other Payables	4,474	2,851
<b>Total liabilities</b>	<b>29,288</b>	<b>51,723</b>
<b>Net assets available to pay benefits</b>	<b>2,987,978</b>	<b>3,179,238</b>
Members' benefits	2,969,871	3,165,089
<b>Net assets</b>	<b>18,107</b>	<b>14,149</b>
<b>Equity - Reserves</b>		
ORFR Reserve	9,017	9,781
Unallocated to members' accounts	9,090	4,368
<b>Total Reserves</b>	<b>18,107</b>	<b>14,149</b>

Income Statement for the year ended 30 June 2022	2022 \$'000	2021 \$'000
Investment revenue	(211,130)	467,312
Sundry revenue	6,454	5,905
Investment Expenses	(5,876)	(6,128)
<b>Operating result before income tax</b>	<b>(210,552)</b>	<b>467,089</b>
Income tax (expense)/benefit	35,134	(36,997)
<b>Operating result after income tax</b>	<b>(175,418)</b>	<b>430,092</b>
Net losses/(benefits) allocated to members	175,418	(430,091)
<b>Net operating result</b>	<b>-</b>	<b>1</b>

Statement of Changes in Member Benefits for the year ended 30 June 2022	2022 \$'000	2021 \$'000
<b>Opening balance of member benefits</b>	<b>3,165,089</b>	<b>2,745,210</b>
Contributions received	274,814	257,718
Transfers in from other superannuation funds	81,509	99,348
Income tax on contributions	(33,777)	(30,739)
<b>Net after tax contributions</b>	<b>322,546</b>	<b>326,327</b>
Benefits paid and payable	(313,754)	(315,753)
Insurance premiums charged to members	(11,878)	(11,741)
Death and disability benefits credited to members	4,750	6,448
Reserve transferred to/(from) members	(5,239)	(285)
Net investment income/(loss)	(175,418)	430,091
Administrative fees	(16,225)	(15,208)
<b>Closing balance of member benefits</b>	<b>2,969,871</b>	<b>3,165,089</b>

	2022		
	Operational Risk Reserve	Unallocated Surplus	Total Equity
Opening balance as at 1 July 2020	8,036	4,366	12,402
Net transfers to/(from) reserves	1,745	2	1,747
Opening balance as at 1 July 2021	9,781	4,368	14,149
Net transfers to/(from) reserves	(764)	4,722	3,958
<b>Closing balance as at 30 June 2022</b>	<b>9,017</b>	<b>9,090</b>	<b>18,107</b>



# Finally

## Online annual report

The Trustee makes this 30 June 2022 annual report available online at [ing.com.au](https://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](https://ato.gov.au).

## Privacy Statement

The Fund Privacy Policy details how we treat your personal information. The following provides an overview of the key aspects of the Fund Privacy Policy. For the purposes of the Fund Privacy Policy the terms 'we', 'us' or 'our' refer to the 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;



- 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 Fund Privacy Policy available online at [ing.com.au](http://ing.com.au).

Please refer to the 'Making a complaint' section of this Annual Report for information on how to deal with your complaints that are not privacy related

### 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 8am–8pm (AEST/AEDT), Monday to Friday;
- emailing [customer.service@ing.com.au](mailto: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.



### Further information

A copy of the Privacy Policy is available at [ing.com.au](http://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.

From 1 January 2021 the ORFR fee was set to 0.00% p.a.

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 2020	8,036,000
30 June 2021	9,781,000
30 June 2022	9,017,000

### ATO Transfers

If your account becomes classified as a lost or low balance inactive member account we may be obliged to pay any amounts owing to you or held in your name to the ATO on your behalf and close your account. The ATO will attempt to match these amounts with your other active superannuation account.

Generally your account will be classified as a lost member account when:

- we have never had an address for you or two written communications sent to your last known address have been returned unclaimed; and
- we haven't received a contribution to your account for a period of 12 months.

Generally your account will be classified as a low balance inactive account when the balance of the account is less than \$6,000 and for 16 months;

- We have not received any rollovers or contributions;
- You have not changed investment options;
- You have not made or amended a binding beneficiary nomination;
- You have not given notice to the Commissioner of Taxation that the account is not a low balance inactive account; and
- The superannuation provider was not owed an amount.

If your account balance is transferred, you will be able to reclaim it from the ATO. More information on lost member accounts is available from the ATO at [ato.gov.au](http://ato.gov.au).



# Contact us

At 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

With Living Super, we will try our best to resolve your issues or complaints in a prompt manner. Issues or complaints can be raised with us via many different methods – for example you can call, email or write to us.

### Call

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

### Mail

Reply paid 4307  
Sydney NSW 2001

### Email

[customer.complaints@ing.com.au](mailto:customer.complaints@ing.com.au)

You can even send us a message via Online Banking by selecting My Messages.

When we receive your complaint we may need to verify your identity in order to deal with your concerns. Our Complaints Officer will review your complaint and work with the Trustee to resolve the problem as soon as possible.

If you are not satisfied with our response or we have not resolved your complaint within 45 days (Death benefit distribution complaints within 90 days), you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA deals with complaints, including those relating to decisions and conduct of trustees in relation to superannuation funds, in accordance with its Rules and Guidelines. AFCA's details are below:

**Website:** [afca.org.au](http://afca.org.au)

**Email:** [info@afca.org.au](mailto:info@afca.org.au)

**Telephone:** 1800 931 678 (toll free)

**In writing:** Australian Financial Complaints Authority,  
GPO Box 3, Melbourne VIC 3001

Time limits may apply to complain to AFCA so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires. For example complaints about the payment of a death benefit, you need to lodge with AFCA within 28 days of our written decision to you.





# 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). 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 Living Super.

## Insurer

The insurance cover offered by 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.

## Securities broker

The securities broker for Living Super is Australian Investment Exchange Limited (AUSIEX) (ABN 71 076 515 930, AFSL 241400), a wholly owned subsidiary of Nomura Research Institute Limited (NRI), a Participant of the ASX Group and Cboe Australia Pty Ltd.

## Custodian

The custody of the managed investment assets within 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 Living Super is provided by Financial Synergy Holdings Pty Limited, (ABN 27 005 484 391, AFSL 238816).

