



Living Super

Annual Report

2020-21



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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.



CEO report

Executive Summary – Living Super

I'm pleased to report another good year for Living Super customers, despite the challenges we all continue to face due to the coronavirus. 56,658 Australians trust us to look after their retirement savings and our Funds under Management has increased 16% year on year, totalling \$3.2bn.

There for customers when they need us

We continue to support customers impacted by COVID-19 through a range of measures. Our Living Super site includes up-to-date FAQs on any changes and impacts to Superannuation. In some cases, we enabled the early release of funds to ease immediate financial pressures where needed throughout 2020 and we reduced our variable administration fee (for the Operational Risk Financial Requirement) to zero.

Flexibility and choice

We know customers want more flexibility and choice when it comes to making the most of their money to support their retirement goals. That's why we introduced new conservative and moderate investment options, designed to reflect a broader range of risk profiles to suit our customers' needs.

This focus on the customer is one of the many reasons Living Super has maintained, for the 4th year in the row, its Gold rating ("good value for money superannuation fund") from independent research and ratings group, SuperRatings.

A seamless digital experience

When it comes to keeping track of Superannuation we take pride in making sure the digital experience is simple, easy and smart. Over the last 12 months we have made enhancements to the Living Super website, and improved the functionality when searching for Exchange Traded Funds.

Staying a step ahead

As we look to a brighter 2022 along with more freedoms, we will continue to respond to our customers' needs, and help them through the responsible management of their Superannuation, so that they can 'do their thing' in retirement.

Read on for a snapshot of Living Super's performance and how we're empowering customers to stay a step ahead, now and in the future.

Kind regards,



András Hamori
Head of Retail, ING



Legislative changes & product updates

Legislative Changes:

Government Co-contributions

The higher income threshold for the government co-contribution cap has increased from \$54,837 to \$56,112, for 2021/2022.

Contribution caps

In addition the annual concessional contribution cap has increased to \$27,500 for all ages, for the period 2021/2022. The non-concessional contribution cap was previously \$100,000, and has increased to \$110,000, for the above period.

The age limit which allows you to 'bring forward' up to 3 years of non-concessional contributions has been increased to 67. However, this is limited to:

- 3 years of non-concessional contributions totaling max \$330,000 only if your super balance is less than \$1.48 million;
- 2 years of non-concessional contributions totaling max \$220,000 only if your total super balance is \$1.48 million or more, but less than \$1.59 million.

If your total super balance is between \$1.59 million and less than \$1.7 million, the bring forward of non-concessional contributions will not be available, but you will still be able to make non-concessional contributions of up to \$110,000 for the financial year 2021/2022 under the standard non-concessional contribution cap limit.

You will not be able to make any non-concessional contributions if your total super balance is \$1.7 million or more.

Product Updates:

New Investment Options

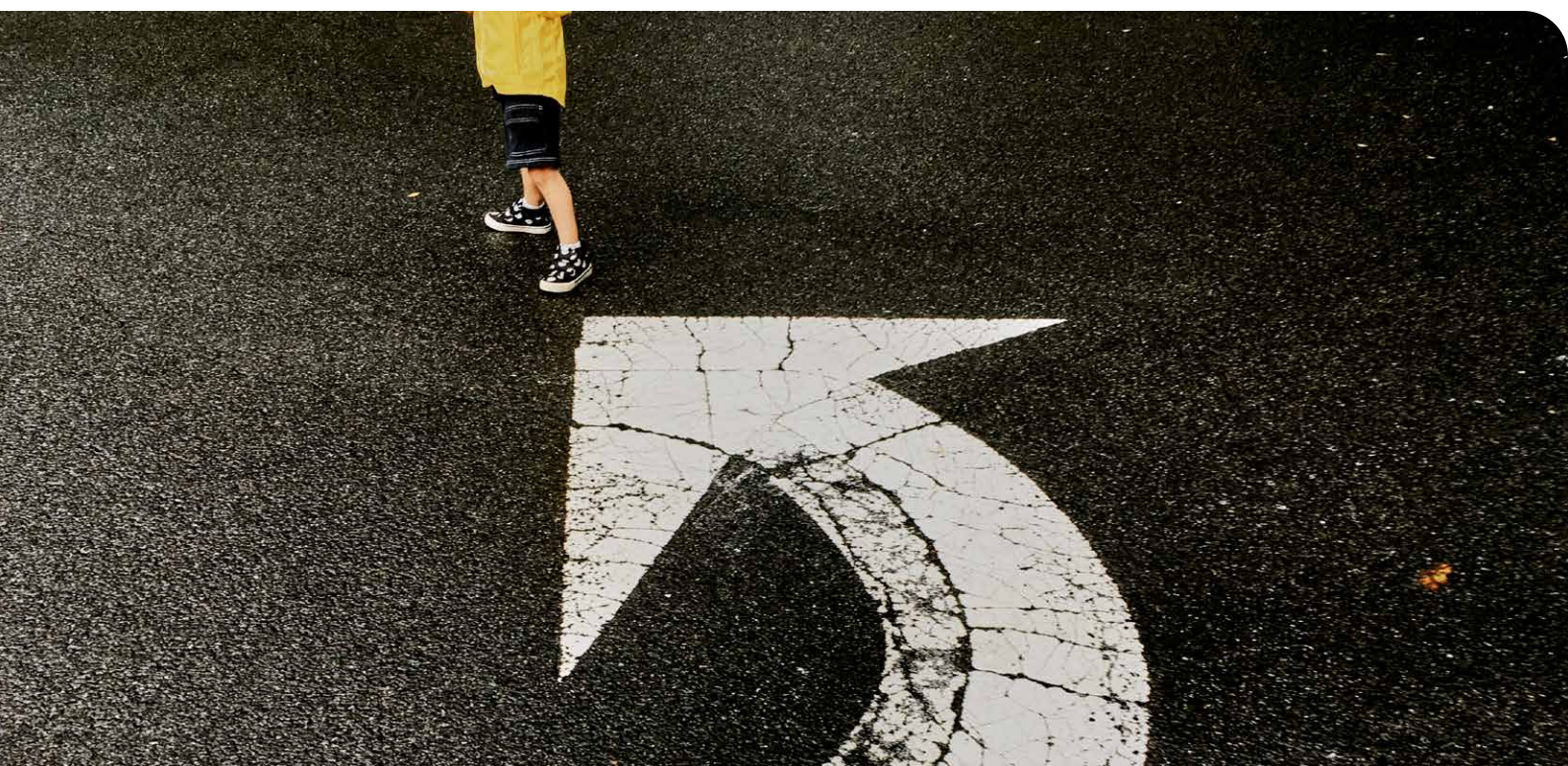
On 1 July 2020, we introduced two new managed investment options, Moderate and Conservative. These new managed investment options were designed to complement Living Super's current investment menu and provide members with access to lower risk managed investment options. The new Moderate option contains an allocation of 50% to growth assets, while the new Conservative option contains an allocation of 30% to growth assets.

Exclusion of controversial weapons and tobacco securities from international shares investments

From 1 July 2020 the International Shares (Hedged) option, the International Shares option, and any international share investments held within the High Growth, Growth, Balanced, Moderate and Conservative options now exclude any investments in tobacco companies and companies associated with controversial weapons such as cluster bombs, landmines, depleted uranium, and chemical and biological weapons.

Asset Allocation Changes

Following a review of the Living Super managed investment options, asset allocation changes were made to the Balanced, Growth and High Growth options effective 1 July 2020 to ensure they remained appropriate for the expected future investment environment and remain a suitable investment choice for Living Super members.



Balanced Option

Managed investment option	Sub-Asset Class	As at 30 June 2020		New, as at 1 July 2020	
		Strategic asset allocation	Allocation range	Strategic asset allocation	Allocation range
Australian Shares	Australian shares	33%	18 - 45%	30%	15 - 45%
International Shares	International Shares	25%	5 - 25%	26%	0 - 23%
	International Shares (Hedged)		5 - 25%		0 - 23%
	Emerging Market Shares		0%		0 - 10%
Property	Australian Listed Property	4%	0 - 10%	6%	0 - 10%
Fixed Interest	Australian Fixed Interest	10%	0 - 25%	34%	5 - 30%
	International Fixed Interest		0 - 10%		0 - 20%
	Australian Investment Grade Credit		0%		0 - 15%
Cash	Cash	28%	20 - 40%	4%	0 - 20%

Growth Option

Managed investment option	Sub-Asset Class	As at 30 June 2020		New, as at 1 July 2020	
		Strategic asset allocation	Allocation range	Strategic asset allocation	Allocation range
Australian Shares	Australian shares	35%	25 - 45%	33%	15 - 48%
International Shares	International Shares	30%	5 - 25%	30%	0 - 25%
	International Shares (Hedged)		5 - 25%		0 - 25%
	Emerging Market Shares		0%		0 - 10%
Property	Australian Listed Property	5%	0 - 15%	7%	0 - 15%
Fixed Interest	Australian Fixed Interest	15%	0 - 25%	27%	0 - 25%
	International Fixed Interest		0 - 10%		0 - 20%
	Australian Investment Grade Credit		0%		0 - 10%
Cash	Cash	15%	5 - 25%	3%	0 - 15%

High Growth Option

Managed investment option	Sub-Asset Class	As at 30 June 2020		New, as at 1 July 2020	
		Strategic asset allocation	Allocation range	Strategic asset allocation	Allocation range
Australian Shares	Australian shares	50%	40 - 60%	45%	30 - 60%
International Shares	International Shares	40%	10 - 30%	40%	5 - 35%
	International Shares (Hedged)		10 - 30%		5 - 35%
	Emerging Market Shares		0%		0 - 15%
Property	Australian Listed Property	10%	0 - 20%	10%	0 - 20%
Fixed Interest	Australian Fixed Interest	0%	0%	3%	0 - 10%
	International Fixed Interest		0%		0%
	Australian Investment Grade Credit		0%		0%
Cash	Cash	0%	0 - 5%	2%	0 - 10%



Closure of the Balanced Options

Following a review of the Living Super investment menu, on 1 July 2020 the Living Super Balanced option was closed to all new Living Super members and existing members who were not invested in this option. Existing members who are already invested in the Balanced option as at 30 June 2020 could still maintain their existing holdings in this option from 1 July 2020 onwards, and can continue to make further contributions into the Balanced option in accordance to their existing contribution mix. These members are able to reduce their contribution mix and/or investment mix allocation in the Balanced option to zero, however they are not able to increase their allocation to the Balanced option.

Reduction in Operational Risk Financial Requirement reserve (ORFR) cost

On 1 January 2021, we reduced the ORFR fee we charged you from 0.02% p.a. to 0.00% p.a. Super funds are required by the Australian Prudential Regulation Authority (APRA) to hold capital reserves to cover losses that arise from operational risk events. The aim of establishing an ORFR reserve is to ensure that trustees have enough money to compensate members for any operational incidents that may have a negative impact on their benefits. As the Fund has sufficient money in the reserve, we were able to reduce this to 0.00% p.a. until further notice.

Breaking your term deposit

During 2020, the Government allowed early access to superannuation for Australians experiencing financial difficulties as a result of COVID-19. To accommodate this, the 31-day notice period did not apply for members who wanted to take their money out of a Term Deposit early (i.e. before the maturity date) in order to make an application with the ATO to access their super. From 21 April 2020 to 31 December 2020, we waived the break costs (interest rate reduction) for all members that ended a Term Deposit held within Living Super before its maturity date. On 1 January 2021, the 31-day notice period and break costs (interest rate reduction) were reinstated.

Premium changes to Income Protection Cover

On 8 January 2021, the cost of the premiums for Income Protection (IP) cover with a benefit period to age 67 increased by 23%. Premiums on Death and Total and Permanent Disablement insurance, as well as for Income Protection with a 2-year benefit period, have remained unchanged.

We have worked closely with our insurer, MetLife, to ensure any price increases are as reasonable as possible, and we try hard to keep increases to a minimum. This was the first increase in premiums for Income Protection cover in Living Super since 2015. The increase was due to various external factors impacting the insurance industry, such as the low interest rate environment and COVID-19.

3 year limit on exclusions for pre-existing conditions

From 8 January 2021, exclusions due to pre-existing medical conditions on your Automatic Death and/or Total and Permanent Disablement (TPD) Cover with Living Super are automatically removed after three years from the start of your cover (or date of reinstatement, whichever date occurs later).

If you had an existing illness, injury or medical condition in the three years before your Automatic Cover with Living Super started (or was reinstated), you will have a Pre-Existing Conditions Exclusion on your Automatic Cover with us. This means that you won't receive an insurance benefit or payout (or refund of premium) for any claim that arises directly or indirectly as a result of that condition. Up until 8 January 2021, exclusions for Pre-Existing Medical Conditions on your Automatic Cover in Living Super were applied for the duration of your cover in the event of a claim. However, from 8 January 2021, Pre-Existing Conditions Exclusions will be removed after three years from the start of your Automatic Cover (or date of reinstatement, whichever date occurs later). For more information about pre-existing conditions and how they apply to you, review the insurance section of the Living Super Product Guide, which you can find at ing.com.au; click on Superannuation, Living Super, Tools and Calculators, Key documents and forms.

Cash hub Benchmark change

From 1 August 2020, the benchmark for our Cash Hub changed. The Cash Hub now aims to provide a return of the Reserve Bank of Australia (RBA) cash rate before fees and taxes. The previous Cash Hub benchmark was the RBA cash rate less 0.75% before fees and taxes.



Market update

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

Financial Year 2020-21 (FY21): COVID-19, lockdowns and vaccinations could not deter the Australian financial market from posting another solid year and providing members of superannuation funds with stellar returns. As we reflect on the financial year, the month of June 2021 is the twelfth month in a row we have seen positive results for the median balanced fund and double-digit returns for the year ending 30 June 2021.

As in past years, markets had to contend with a range of geopolitical issues, some new while others like Brexit were all too familiar. The US Presidential election in November 2020 was a major focus for markets. The strong performance of the US economy at the beginning of the year was expected to favour the incumbent President Trump. However, the economic damage caused by COVID-19 and the indifferent and inadequate response by the Trump administration to the worsening health crisis enabled the Democratic nominee Joe Biden to win the Presidency with most Electoral College votes.

The Brexit saga continued to unfold through the year. After securing parliamentary agreement early in 2020 for the withdrawal, the terms of Britain's exit from the EU were finally agreed between Brussels and London and ratified just days before the 31 December deadline. While the agreement means there will be no tariffs or quotas imposed on trade between Britain and the EU from 1 January 2021, the terms of the 1,200+ page agreement which cover living, working, trade and a multitude of issues between them are complex and may present unexpected challenges ahead.

A concerning development over FY21 was the deteriorating diplomatic and trade relationship with China, Australia's largest trading partner and destination for approximately a third of Australia's total exports. Several issues over an extended period have contributed to the growing tension, including banning Huawei from tendering for the 5G mobile network, introducing "foreign interference laws" on national security grounds, Australia speaking out on the South China Sea and human rights issues in China and the call for an inquiry into the origins of the coronavirus pandemic. China imposed high tariffs or import restrictions on a range of Australian agricultural and food exports such as barley, beef, and wine and, more recently coal. Exports of iron ore to China have not been affected so far as it is a commodity that is crucial to China's ongoing infrastructure development and supply of iron ore from Brazil remains limited. Should this change, the impact on Australia's economy, government revenue, share market and currency would be significant.

Looking back, following the economic downturn in the June 2020 quarter global economic conditions started to improve on the back of moderating COVID infection rates that allowed many economies to gradually re-open and relax social mobility restrictions. In the US, roughly half of the 22 million jobs that were lost in March and April 2020 were regained by year end. After peaking at 14.7%, the US unemployment ended the calendar year 2020 much lower at 6.7%. China's economy rebounded strongly following massive fiscal and monetary stimulus that enabled China's industrial production to grow 6.9% in the year, which was a remarkable recovery from the -13.5% fall in January and February 2020. Compared to other countries, Australia was fortunate. Despite the economic impact caused by Victoria's infection outbreaks, consumer confidence was above pre-COVID-19 levels and unemployment fell to around 6.8%.

Market confidence at the beginning of the second half of the financial year received further boost when encouraging vaccine trial results were announced by Pfizer, Moderna, and AstraZeneca. These encouraging tests helped global sharemarkets to continue on their upward trajectory, outweighing the concerns caused by the acceleration in new virus infections across the world, especially Europe, the UK, India, and Japan.

Australian shares returned +12.9% for the six months to 30 June 2021 and +27.8% in FY21, relatively modest when compared to US equities +42.5%, Japan +28.9% and Europe +27.3%. For Australian investors seeking income, dividends only made up a sliver of returns in FY21 due to COVID-19 induced uncertainty, providing the lowest level of income returns since 1987 for Australian shares.

FY21 witnessed a residential market on fire. House values in Sydney are up around +15% for the year, only the Canadian Pacific coast city of Vancouver has experienced a sharper rise. Sydney's median value is around \$1.2 million while Melbourne is at \$908,000. Smaller capital markets such as Hobart, Darwin and Canberra have seen increases in value over FY21 rise +11%. It is not only Australian homebuyers facing a tough market. Property prices around the world have surged on the back of ultra-cheap interest rates and stimulus put in place to deal with the COVID pandemic. US was up +13%, and Canada +23%, which leaves Central Banks around the world having to consider tentatively lifting interest rates in the future, which means cash and bank deposits are likely to continue to provide low returns.

Superannuation funds finished FY21 on a high, a typical diversified balanced portfolio with an allocation between 61% to 80% growth assets is expected to deliver on average a return of around +18% for the financial year, the second highest figure since 1992.



Australian Markets

The Australian sharemarket capped its best financial year in more than 30 years, with shares rebounding after a poor start to the year. The S&P/ASX 200 Accumulation Index (including the benefit of dividends) returned +27.8% in FY21, its best financial year performance since 1987.

The rally of the last year was dominated by the swift recovery from COVID-19 induced sell-off the market had suffered during early months of calendar 2020, activated by record levels of central bank and government spending.

While growth stocks (such as the Technology sector) led the recovery at the start of the year, the market pivoted sharply to value stocks (such as Financials/Banks) in November, which allowed the market to surpass its pre-COVID-19 levels and hit a record high in May. Over FY21 Australian value-returned +39.2% compared to growth's +15.7%.

Australia's Consumer Discretionary sector outperformed over FY21 rising +42.6% over the year, ahead of Information Technology +38.9% and the Financials sector +35.7%.

The four major banks and the three major iron ore miners were responsible for more than 50% of the gains on the local sharemarket in the last 12 months, boosted by a rapid recovery in both the Australian and Chinese economies.

Commonwealth Bank led the gains, rising +49% in FY21, rallying alongside an improving economic outlook. Westpac advanced +49.9%, ANZ firmed +60.2% and NAB added +49.6%.

China's demand for steel pushed iron ore prices to their highest level on record, boosting the major miners, which are set to pay record dividends in the August earnings season.

BHP Group climbed +42.4%, Rio Tinto +37.9%, Fortescue Metals Group +90.2% and South32 closed the year +46% higher.

Other blue-chip stocks that performed well FY21 were Wesfarmers +37.2%, Macquarie Group +36.4%, Woolworths +23.9% and Telstra +26.5%.

Afterpay had another extraordinarily strong financial year, breaking into the S&P/ASX 20, driven by strong growth, particularly in the US, up +93.8% in FY21.

The new financial year is expected to be a bumpy ride dominated by lockdowns across the states, disrupting the recovery, particularly for small businesses. However, providing the lockdowns are relatively short, the experience of the eight or so snap lockdowns seen since last November, is that economic activity is largely pent up or delayed through the lockdown and then bounces back relatively quickly on reopening.

Global Markets

The best description for the financial year of FY21 is 'a tale of two halves.' The year began with justified despair and fear over the outcomes from COVID-19 and has ended with near-euphoria in equity markets. Global shares as represented by the MSCI World ex Australia (with net dividends reinvested) Index for FY21 returned +28.1% on an unhedged basis while the hedged return of +37.7% was due to the strength of the Australian dollar against the world's major currencies.

In the second half of the financial year, we experienced significant asset price appreciation and liquidity stemming from record low interest rates, record government welfare payments, vast asset buying, record residential house prices, robust bounce-back in construction activity and high confidence levels from consumers as well as businesses. The rally in global equities was fueled by a stellar year from the Technology sector, which was the largest contributor to gains, returning +45.5%, closely followed by Financials +45.3%. The Financial sector was supported by a lift in bond yields and a rotation out of growth stocks into the battered value sectors.

Global value stocks marginally outperformed growth, with the MSCI Value Index returning +41.5% compared to the MSCI Growth's +37.8%.

Wall Street hosted some of the best performing stocks in FY21. The S&P 500, which tracks 500 of the largest companies listed in the US returned +40.8% outperforming the Australian sharemarket by +13%.

Other equity markets were not far behind the US in FY21, Japan's Nikkei 225 Index returned +31.3%, Europe 350 Index returned +29.5% and the MSCI Emerging Markets Index provided investors with a stellar return of +38.7% for the year.

Economists and business owners alike have been astounded by how quick the global recovery from COVID-19 has been, with only a few exceptions. The scale of the fiscal (government spending and tax policies) response from governments around the world has been unparalleled, including Australia's splurge with the Federal budget in May. For the last few decades policy makers primarily relied on monetary policy (control of money supply and interest rates) to stimulate economies during a downturn. But this time, with interest rates rapidly hitting or nearing their "zero lower bound", governments have played the primary role by making fiscal transfers to those most impacted. This has led to household income, savings and spending moving to a better position than pre-COVID-19. The danger is that markets start pricing in some companies as if their super profits will be permanent.



Australian and International Property

Returns from Australian listed property trusts (A-REITs) market surpassed Australian sharemarket returns, up+33.2% for FY21 outperforming the Australian share market by +5.4%.

Globally Real Estate Investment Trusts (G-REITs) also had a strong rebound from FY20 returning +31.6% (US\$ terms) for 12 months to June 2021.

Cash, Fixed Interest and Corporate Bonds

The RBA lowered the cash rate only once during FY21 from 0.25% to 0.10% (in November 2020), which is at a historic low to support lending and employment. It is likely that the RBA will stop at 0.1% and patiently gradually move interest rates up as the Australian economy continues to improve.

The market-determined 90-day bank bill rate fell from highs near 0.1056% in July 2020 to record lows of 0.0097% in February and yields ended FY21 at 0.0303%.

Yields on Australian long bonds – 10-year government bond – held in a range of 0.75% to 1.85% over FY21 and ended the year at 1.48%. The lowest yield was set on November 5, 2020.

Global bond yields over FY21 retraced from previously elevated levels, with the 10-year government bond yield finishing at 1.44%. The retracement appears to be a normalisation after significant rises in previous months on the back of a high inflation environment and strong business conditions.

The US Federal Reserve maintained the asset purchasing program during FY21 to keep yields down and corporate bond spreads tight to continue to promote accommodative financial conditions.

Australian Dollar (AUD) Exchange Rate

The Australian Dollar traded sideways for much of FY21 reaching US80 cents at the end of February before falling back and trading in a two-cent range for most of the year. The lackluster performance of the AUD comes in contrast to stocks and commodities. The AUD finished FY21 near US\$75 cents, supported by solid economic data, rising commodity prices (especially iron ore) and improved risk sentiment on the global economy.

Outlook

The economic outlook will clearly be dictated by the virus and its variants, and how quickly the vaccine can stem the case numbers and allow economies to start repairing.

Over the last several months, public health data have indicated that the global pandemic measured by number of cases, has likely peaked in the second quarter of 2021. With the pandemic receding, governments in the developed market have started to indicate that policy support is also likely to have peaked and tighter financial conditions are to be expected leading to the slowing in the growth of credit. Tighter financial conditions will impact growth to varying degrees across industries and across regions and may result in a somewhat desynchronised developed market growth rebound in FY22.

The resilience of the Australian economy continues to surprise, reinforced by the strength of the job market. The latest data shows that a stunning 115,200 jobs were created in just the month of May. Employment is back at record highs – recovering from the pandemic losses – in-fact it is one of only a few economies to have achieved that feat. Reduction in the jobless rate is regarded as a “national priority”. There seems to be scope for unemployment to fall further. This is important in terms of the spending power of the newly employed, but also the boost to confidence of those people on jobs.

While the annual rate of headline inflation (CPI) is expected to spike from 3% to 3.5% in the June quarter, underlying inflation (excluding items that have particularly unrelated large price changes) is expected to remain below the Reserve Bank of Australia (RBA) 2% to 3% target band. Still, underlying inflation is expected to gradually lift to 1.8% by the end of 2021 and possibly 2.2% by the end of 2022.

Shares are expected to remain vulnerable to short-term correction with possible triggers being an inflation scare and US Federal Reserve adjusting the pace of asset purchase i.e., reducing the US\$120 billion or so of bond buys it makes each month. However, a combination of improving global growth and earnings (as the world moves out of the COVID pandemic) assisted by tax stimulants and real interest rates remaining low bodes well for shares.

Commercial property and infrastructure assets should benefit from investors chasing yield however yields may remain somewhat subdued due to low demand, especially office space.

However, a movement up from the current ultra-low yields has the potential to result in capital losses from rising bond yields, likely to result in negative returns from bonds over the next 12 months.

Cash and bank deposits over FY22 will continue to provide very-low returns, starting from the ultra-low cash rate of 0.1%. It is unlikely that the RBA will commence increasing the cash rate until actual inflation is sustainably within 2% to 3% target range, which is not expected to be before 2023.

The AUD is deemed to be prone to rises and falls with the price and demand for commodities such as iron ore, coupled with a suggestion on the direction of Australian interest rates. The currency is therefore expected to remain supported by the strength of the global economy.

A theme that is garnering traction and is expected to be a principal topic in the future revolves around climate and social equity calls to action, which may add a new dimension to government policy making, regulatory disclosures, capital creation, sustainable investment, and potential market adjustments. Global policy makers and business leaders are looking at formulating tangible and lasting progress by incorporating Environmental, Social and (Corporate) Governance (ESG) objectives for the betterment of society that will also overtime be reflected in the performance of certain regions, asset classes, sectors, and industries.



Living Super investments²

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	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 Growth option High growth option Moderation option Conservative option	Automatic Cover Tailored Cover Death and/or TPD • 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

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 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.



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.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

- 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)

Listed securities

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

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.

⁴ Living Super Term Deposit rates are available at 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 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 Rate before fees and taxes.	The strategy for the Cash Hub is to	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	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		
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								



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.			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> .	Medium risk	At least 4 years	
					Asset class	Strategic asset allocation				Range
					Australian Shares	14%				
					Australian Shares					0-30%
					International Shares	14%				
					International Shares					0-20%
					International Shares (Hedged)					0-20%
					Emerging Market Equities					0-5%
					Property	2%				
					Australian Listed Property					0-10%
					Fixed Interest	60%				
					Australian Fixed Interest					0-40%
					International Fixed Interest					0-30%
					Australian Investment Grade Credit					0-30%
Cash	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.			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> .	Medium - High risk	At least 6 years	
					Asset class	Strategic asset allocation				Range
					Australian Shares	23%				
					Australian Shares					5-40%
					International Shares	22%				
					International Shares					0-20%
					International Shares (Hedged)					0-20%
					Emerging Market Equities					0-7%
					Property	5%				
					Australian Listed Property					0-10%
					Fixed Interest	45%				
					Australian Fixed Interest					5-35%
					International Fixed Interest					5-25%
					Australian Investment Grade Credit					0-20%
Cash	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>Australian Shares</td> <td>33%</td> <td></td> </tr> <tr> <td>Australian Shares</td> <td></td> <td>15-48%</td> </tr> <tr> <td>International Shares</td> <td>30%</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>Property</td> <td>7%</td> <td></td> </tr> <tr> <td>Australian Listed Property</td> <td></td> <td>0-15%</td> </tr> <tr> <td>Fixed Interest</td> <td>27%</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>Cash</td> <td>3%</td> <td></td> </tr> <tr> <td>Cash</td> <td></td> <td>0-15%</td> </tr> </tbody> </table>	Asset class	Strategic asset allocation	Range	Australian Shares	33%		Australian Shares		15-48%	International Shares	30%		International Shares		0-25%	International Shares (Hedged)		0-25%	Emerging Market Equities		0-10%	Property	7%		Australian Listed Property		0-15%	Fixed Interest	27%		Australian Fixed Interest		0-25%	International Fixed Interest		0-20%	Australian Investment Grade Credit		0-10%	Cash	3%		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																																														
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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>Australian Shares</td> <td>45%</td> <td></td> </tr> <tr> <td>Australian Shares</td> <td></td> <td>30-60%</td> </tr> <tr> <td>International Shares</td> <td>40%</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>Property</td> <td>10%</td> <td></td> </tr> <tr> <td>Australian Listed Property</td> <td></td> <td>0-20%</td> </tr> <tr> <td>Fixed Interest</td> <td>3%</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>Cash</td> <td>2%</td> <td></td> </tr> <tr> <td>Cash</td> <td></td> <td>0-10%</td> </tr> </tbody> </table>	Asset class	Strategic asset allocation	Range	Australian Shares	45%		Australian Shares		30-60%	International Shares	40%		International Shares		5-35%	International Shares (Hedged)		5-35%	Emerging Market Equities		0-15%	Property	10%		Australian Listed Property		0-20%	Fixed Interest	3%		Australian Fixed Interest		0-10%	International Fixed Interest		0%	Australian Investment Grade Credit		0%	Cash	2%		Cash		0-10%	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
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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%				
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%				
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.	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 Bank (Australia) Limited (IBAL) is the investment manager of the managed investment options, Cash Hub and Term Deposits within Living Super. 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 IBAL as at 30 June 2021 is \$2.312B

Single assets valued above 5% of total funds under Management

At the end of the 2020-2021 financial year, the Fund had:

- 35% invested in the ING Balanced Option;
- 12% invested in the Cash Hub;
- 14% invested in Listed Securities (through the S&P/ASX 300 and selected exchange traded products);
- 14% invested in the ING High Growth Option; and
- 9% 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.



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 2021. Just remember, past performance is not a reliable indicator of future performance.^{4,5}

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	0.61	1.25	-1.58	-0.90	1.29	3.45	2.57	3.29	3.39	16/08/2012
Australian listed property	4.55	8.75	8.28	27.82	1.85	6.59	5.31	9.09	9.96	16/08/2012
Australian shares	1.57	6.84	10.95	23.94	8.45	9.22	10.48	8.74	10.27	29/08/2012
Balanced (Closed to new members)	1.69	4.98	7.26	15.95	7.02	7.19	7.56	6.67	7.64	13/08/2012
Cash option	0.01	0.02	0.04	0.16	0.48	0.79	1.09	1.49	1.88	3/09/2012
Conservative	1.13	2.84	3.03	n/a	n/a	n/a	n/a	n/a	8.08	1/07/2020
Growth	1.90	5.33	7.72	17.06	7.53	7.86	8.41	7.73	9.02	30/08/2012
High growth	2.36	6.92	11.03	24.65	9.75	10.01	11.37	9.87	11.82	30/08/2012
International fixed interest (hedged)	0.45	0.54	-2.05	-1.43	1.70	3.04	1.90	3.25	3.49	16/08/2012
International shares	4.53	8.70	14.88	24.96	14.61	13.38	13.49	12.76	14.87	29/08/2012
International shares (hedged)	2.19	6.83	12.80	31.69	15.42	11.98	13.08	10.55	12.56	29/08/2012
Moderate	1.69	4.33	5.63	n/a	n/a	n/a	n/a	n/a	13.48	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	0.66	1.40	-1.87	-1.05	1.40	3.94	2.92	3.80	3.65	16/08/2012
Australian listed property	5.57	10.34	9.80	32.48	2.07	7.34	5.88	10.14	10.99	16/08/2012
Australian shares	1.69	7.46	12.00	26.45	9.42	10.27	11.45	9.55	11.77	29/08/2012
Balanced (Closed to new members)	1.82	5.40	7.89	17.45	7.58	7.82	8.26	7.29	8.30	13/08/2012
Cash option	0.02	0.02	0.05	0.19	0.56	0.92	1.27	1.75	2.13	3/09/2012
Conservative	1.29	3.26	3.43	n/a	n/a	n/a	n/a	n/a	9.03	1/07/2020
Growth	2.19	5.95	8.43	19.00	8.28	8.71	9.28	8.52	9.92	30/08/2012
High growth	2.74	7.84	12.54	28.05	10.82	11.05	12.47	10.79	12.80	30/08/2012
International fixed interest (hedged)	0.52	0.62	-2.38	-1.65	1.91	3.49	2.18	3.76	3.96	16/08/2012
International shares	4.63	9.15	15.90	26.93	15.55	14.36	14.69	13.89	15.94	29/08/2012
International shares (hedged)	2.37	7.44	14.06	36.13	17.37	13.44	14.38	11.49	12.74	29/08/2012
Moderate	1.91	4.95	6.41	n/a	n/a	n/a	n/a	n/a	15.67	1/07/2020

^{4,5} 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	0.61	1.25	-1.58	-0.90	1.29	3.45	2.57	3.55	3.45	16/08/2012
Australian listed property	4.55	8.75	8.28	27.82	1.85	6.59	5.17	9.61	10.56	16/08/2012
Australian shares	1.57	6.84	10.95	23.94	8.45	9.22	10.66	9.00	11.32	29/08/2012
Balanced (Closed to new members)	1.69	4.98	7.26	15.95	7.02	7.19	7.73	6.92	8.00	13/08/2012
Cash option	0.01	0.02	0.04	0.16	0.48	0.79	1.14	1.66	2.05	3/09/2012
Conservative	1.13	2.84	3.03	n/a	n/a	n/a	n/a	n/a	8.08	1/07/2020
Growth	1.90	5.33	7.72	17.06	7.53	7.86	8.61	8.04	9.53	30/08/2012
High growth	2.36	6.92	11.03	24.65	9.75	10.01	11.64	10.21	12.32	30/08/2012
International fixed interest (hedged)	0.45	0.54	-2.05	-1.43	1.70	3.04	1.86	3.53	3.78	16/08/2012
International shares	4.53	8.70	14.88	24.96	14.61	13.38	13.77	13.24	15.38	29/08/2012
International shares (hedged)	2.19	6.83	12.80	31.69	15.42	11.98	13.22	10.68	12.05	29/08/2012
Moderate	1.69	4.33	5.63	n/a	n/a	n/a	n/a	n/a	13.48	1/07/2020

^{4.5} 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 ING Superannuation Fund are based on audited balances extracted from the financial statements of ING Superannuation Fund for the year ended 30 June 2021. The full audited financial statements and auditor's report for Living Super will be available at ing.com.au by the end of September 2021.

Statement of Financial Position as at 30 June 2021	2021 \$'000	2020 \$'000
Investment assets		
Term deposits	132,253	182,860
Australian equities	444,019	318,010
Unlisted unit trusts	2,154,194	1,827,583
Other assets		
Cash and cash equivalents	378,332	384,362
Trade and other receivables	3,810	2,965
Outstanding investment settlements	1,407	2,194
Distribution receivables	116,946	56,473
Total assets	3,230,961	2,774,447
Liabilities		
Trade and other payables	1,774	2,311
Outstanding investment settlements	1,077	1,204
Current tax liabilities	16,801	10,278
Deferred tax liabilities	32,071	3,042
Total liabilities	51,723	16,835
Net assets available to pay benefits	3,179,238	2,757,612
Represented by liabilities for accrued benefits		
Allocated to members' accounts	3,165,089	2,745,210
ORFR Reserve	9,781	8,036
Unallocated to members' accounts	4,368	4,366
Total liability for accrued benefit	3,179,238	2,757,612

Operating Statement for the year ended 30 June 2021	2021 \$'000	2020 \$'000
Investment revenue		
Interest	3,284	5,429
Dividends	10,585	9,500
Distributions	129,106	74,780
Changes in net market value of investments	324,337	(150,423)
Total investment revenue	467,312	(60,714)
Contribution revenue		
Employer contributions	213,987	207,659
Members' contributions	43,731	37,288
Transfers from other funds	99,348	162,822
Total contribution revenue	357,066	407,769
Other revenue		
Group Life Insurance Proceeds	6,448	6,279
Other	5,905	5,198
Total other revenue	12,353	11,477
TOTAL REVENUE	836,731	358,532
Direct investment expenses	4,828	4,828
General administration expenses		
Operating expenses	15,493	16,726
Group life insurance premiums	11,741	12,335
Total general administrative expenses	27,234	29,061
TOTAL EXPENSES	32,062	33,889
Benefits accrued as a result of operations before income tax	804,669	324,643
Income tax (expense)/benefit	67,736	17,113
Benefits accrued as a result of operations	736,933	307,530



Finally

Online annual report

The Trustee makes this 30 June 2021 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;



- 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.

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;
- 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. 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 2019	6,359,157.93
30 June 2020	8,102,66.53
30 June 2021	9,785,221.52

Eligible Rollover Fund

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.



Contact us

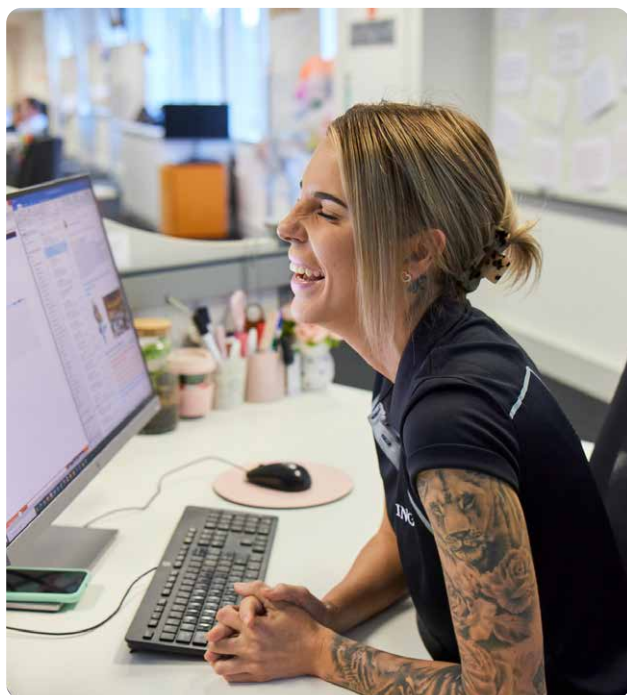
At Living Super, we will try our best to answer your enquiries over the phone in a prompt manner.

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

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

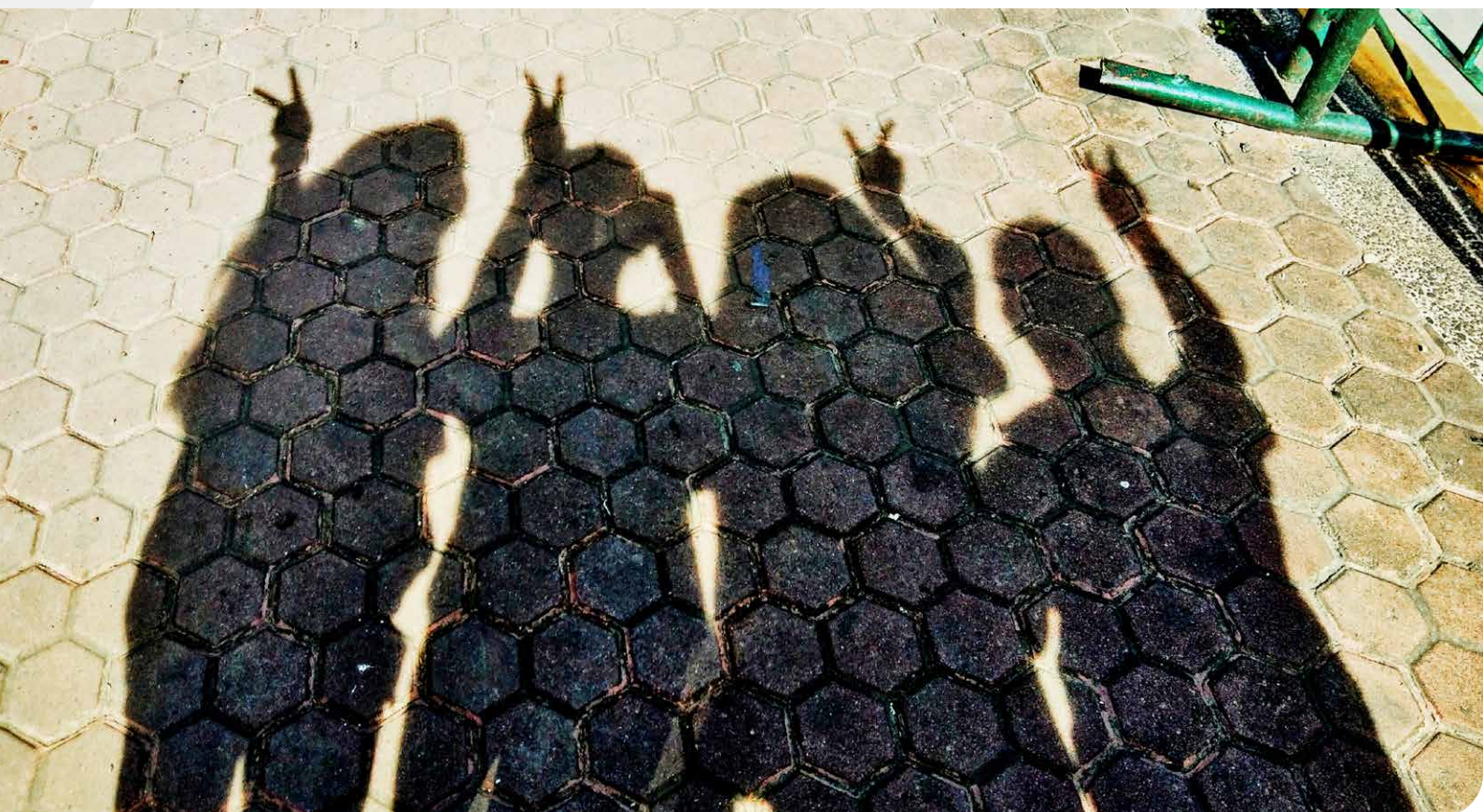
Email: info@afca.org.au

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.

Share broker

The share broker for Living Super is 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 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.

