

Living Super

Annual Report

2022-23



do your thing

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This report shows how the market and Living Super have performed in the past financial year. If you have any questions, simply visit ing.com.au/contactus for the best ways and times to connect with our team, or speak with your financial advisor.

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 2022-2023, 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 2023. The information in this Annual Report is general advice only and has been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, the appropriateness of the product and read the Product Disclosure Statement and Target Market Determination available at ing.com.au before making any decision to acquire or continue to hold the product. You may also decide to seek independent financial advice before making a decision about the product. ING SUP00071 12/23



Head of Retail report

Executive Summary—Living Super

I am pleased to present our 2022-23 Living Super Annual Report, reflecting another solid year where we have helped our customers do their thing when it comes to retirement planning.

We continue to deliver a superannuation offering which enables customers to make the most of their money to support their retirement goals, while ensuring we comply with changes to superannuation legislation.

Effective from 1 January 2023, the minimum age for downsizer contributions was lowered from 60 to 55. This change increased the number of customers eligible to take advantage of this contribution option, providing them with greater flexibility and opportunities to grow their superannuation balance.

Following a thorough assessment, we also made changes to the risk labels of seven of our investment options to provide greater clarity on returns when measured against industry standards.

As we navigate the ever-changing financial landscape, we remain steadfast in our dedication to provide a superior experience by listening to our customers and continually reviewing our offering to help make the difference for them in retirement.

I extend my sincere gratitude to all our customers for their continued support. Together, we will continue to build a brighter future for all.

Thank you.



András Hamori

Head of Retail, ING



Legislative changes and product updates

Downsizer contribution changes

Effective 1 January 2023, the eligibility age for downsizer contributions was lowered from 60 to 55. Previously, individuals aged 55–59 were not able to make downsizer contributions due to their age.

Minimum pension withdrawal amount changes

The minimum pension withdrawal amount is based on an individual's age and account balance at 1 July each year, or on the date a pension commenced if that was after the most recent 1 July.

Since the 2019/20 financial year, the government has reduced the minimum withdrawal requirement by 50% to help with the impact COVID-19 may have had on retiree account balances. This meant individuals could choose to withdraw less for the following financial years:

- 2019/20
- 2020/21
- 2021/22
- 2022/23

Effective from 1 July 2023, however, the government reverted the minimum withdrawal requirement to what it was prior to the 2019/20 financial year, as shown below:

Age at start of pension or most recent 1 July	Minimum pension withdrawal
Under 65	4.0%
65-74	5.0%
75-79	6.0%
80-84	7.0%
85-89	9.0%
90-94	11.0%
95 or more	14.0%

Changes to our fee disclosures

The following table shows how much of each investment option's transaction costs were recovered by the buy-sell spreads below. The figures are as at 30 June 2023. Net transaction costs are an additional cost to you paid from the assets of the Fund[^].

	Gross Transaction Costs	Buy/Sell Spread Recovery	Net Transaction Costs*
Australian Fixed Interest	0.00%	0.01%	0.00%
Australian Listed Property	0.01%	0.02%	0.00%
Australian Shares	0.01%	0.03%	0.00%
Balanced	0.03%	0.02%	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)	0.05%	0.01%	0.04%
International Shares	0.01%	0.02%	0.00%
International Shares (Hedged)	0.08%	0.03%	0.04%
Moderate	0.03%	0.02%	0.02%

*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.

[^]Please refer to the Living Super PDS and Product Guide for an explanation of how and when Transaction Costs, including Buy/Sell spreads, are charged. For the latest fees and costs, please go to ing.com.au/superannuation.html and scroll down to 'Rates and fees'. You'll find the information in the tab 'Investment category fees'.



Market update

Economic Conditions

The focus going into FY22-23 was how governments globally would wind back stimulus programs implemented during the COVID-19 pandemic and increase interest rates with inflation pressures becoming the significant economic and social concern, with commodity price surges and production and transport delays given supply chain issues and the devastating invasion of Ukraine. Climate events such as floods and drought also contributed to rising inflation levels.

During the financial year, global inflation surged to multi-decade highs. Inflation rose sharply to over 10% in Europe, above 9% in the US and to 8.4% in Australia in late 2022 leading to central banks across the globe embarking on the sharpest rate hike cycle in decades in an attempt to bring inflation back under control. Australian electricity prices increased by 14% and food by more than 11%. The Reserve Bank of Australia (RBA) followed other central banks in raising rates, with the cash interest rate climbing dramatically from 0.85% in June 2022 to 4.10% by 30 June 2023. This saw mortgage borrowing rates surge higher. For renters, there has been an intense squeeze as landlords have passed on higher borrowing costs by putting up rents for tenants.

Fortunately, there was some moderation in price pressures toward the end of the financial year with Australia's inflation coming in at 5.6% in May and the US at 4%. By financial year end, it became clear that policy tightening was beginning to do its job with a decline in both inflation and economic growth. This was also accompanied by falling long bond yields which provided some support for long duration assets.

At this stage, most major economies have avoided slipping into recession, although leading economic indicators are pointing towards further growth weakness in the quarters ahead. The RBA's view is that inflation remains too high and high interest rates are needed to ensure that inflation falls back to within the targeted 2% - 3% range. The RBA believes that Australia can maintain a 'narrow path' of preserving economic growth even with the large increases in interest rates.

Financial Markets

Notably over FY 22-23, there were a wide range of share performances across countries and industries.

Even with significant risks relating to inflation, interest rates and political uncertainties, global shares delivered strong gains. Though global share prices fell sharply at the start of the financial year they rebounded strongly from October 2022 with the market confident that corporate profits had been resilient to the risks and the conviction that Artificial Intelligence, or 'AI,' will deliver remarkable benefits. Unhedged global shares delivered very strong returns of around 22% over the year given the benefit of a weaker Australian dollar. A key feature

of the rally was narrowness in breadth with a handful of IT stocks leading US equities and ultimately global equities higher (including Nvidia +179%, Meta +78%, Apple +42%, Microsoft +33%, Amazon +23%, Tesla +17% and Alphabet +10%). US shares delivered a robust gain of just over 17%.

European shares also made strong gains even with the challenges of rising interest rates and Russia's invasion of Ukraine on their doorstep. The Japanese share market delivered an incredibly strong 25.8% annual gain given the benefit of interest rates remaining near 0% and a weak currency. The Chinese and Hong Kong markets lagged behind the rest of the world with both producing negative for the year as their economic recoveries stalled.

In Australia, equities returned around 14% for the year lead by the IT sector (+32.2%) - a similar tale to the global tech story. Materials, resources and utilities also performed strongly with returns for each of the sectors in excess of 20%. Surprisingly, despite the challenges of higher inflation and interest rates the consumer discretionary and financial sectors also performed well, returning 13% and 12.9% respectively.

Australian fixed income returned a soft 1.2% annual return, which was below the 2.9% cash return. Global bonds had a disappointing year with a weak -1.2% return due to rising inflation and interest rates.

Global property securities also performed disappointingly with a -5.9% return. The sharp rise in interest rates as well as worries about 'working from home' negatively impacting office occupancy has seen property securities underperform. The Australian property securities market fared better returning a positive 7.5% over the year.

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



Living Super investments

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 Conservative option Moderate option Growth option High Growth option	Automatic Cover Tailored Cover Death and/or TPD <ul style="list-style-type: none"> • Life stage • Fixed premium • Level of cover
	Single Sector Managed Investment Options Cash option Australian Fixed Interest option Australian Listed Property option Australian Shares option International Fixed Interest (Hedged) option International Shares option International Shares (Hedged) option	Listed Securities Shares included in the S&P/ASX 300 index and approved ASX listed exchange traded products	Income Protection 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 can choose from 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 gives 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 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 fee and cost information. Living Super is not available to US 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.

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 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%	This is a mandatory transaction account allowing membersto (a) hold funds temporarily for the purpose of redirecting the funds into their nominated investment options below and (b) hold additional funds to meet any fees and insurance. It is mandatory for all members to hold a minimum balance of \$500, plus 1 cent for every dollar of your account balance between \$50,001 and \$1,000,000, plus any insurance premiums, pension payments, and/or fees due to be paid in the following two months.	Very low risk	No minimum suggested investment timeframe.															
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	No minimum suggested investment timeframe.															
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 investment timeframes.	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 and 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 and 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 and 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			
					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.	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			
					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.	Asset class	Strategic asset allocation	Range	Investors who are seeking a long-term investment with high returns and who accept the possibility of losses in capital.	Very high risk	At least 8 years.
					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%								
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	The option can invest directly or indirectly (via managed investments) in Australian and International shares, along with Australian Listed Property. Asset allocation is balanced back to the long-term target.	Asset class	Strategic asset allocation	Range	Investors who are seeking a long-term investment with moderate to high returns and who accept the possibility of losses in capital.	Very high risk	At least 10 years.
					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%								



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 taxes.	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.	Very 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 international securities that is protected against movements in currency exchange rates and who accept the possibility of losses in capital.	Very 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 international securities who accept the possibility of losses in capital.	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 property securities listed on the ASX and who accept the possibility of losses in capital.	Very 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.	Asset class		Strategic asset allocation	Investors who are seeking a return higher than Cash from Australian fixed interest securities. Capital losses may occur over the short term.	Medium to High risk	At least 3 years.
					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.	Asset class		Strategic asset allocation	Investors seeking a return higher than Cash from international fixed interest and is protected against movements in currency exchange rates. Capital losses may occur over the short term.	Medium to High risk	At least 3 years.
					Fixed Interest		100%			
					International Fixed Interest (Hedged)		95-100%			
					Cash		0%			
				Cash		0-5%				
Select	Listed securities	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 Living Super's share broker.	Tier		Maximum % of total account balance	Investors who are seeking to invest in one or more single ASX-listed securities and who accept the possibility of losses in capital.	For the full list of Shares and exchange traded products available through Living Super, go to ing.com.au , select the 'Superannuation' tab, click on 'Shares, ETFs and LICs' for further information. The tier allocation and risk band/level will also be displayed. For the list of securities on the S&P/ASX 300, see asx.com.au . The risk label for the S&P/ASX 300 is Very High.	At least 7 years.
					S&P/ASX 300 Constituents	20%	100%*			
					Tier 1 Exchange Traded Product	50%	100%*			
					Tier 2 Exchange Traded Product	25%	100%*			
					Tier 3 Exchange Traded Product	10%	40%			
					*Subject to Cash Hub minimums					



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 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 2023 is \$2.276B.

Single assets valued above 5% of total funds under Management

At the end of the 2023 financial year, the Fund had:

Asset name	Amount	Percentage of total funds under management
ING Balanced Fund	\$557,847,197.90	16.96%
Cash Hub	\$404,595,560.18	12.3%
State Street Australian Equities Index Trust	\$333,273,500.46	10.13%
ING High Growth Fund	\$206,543,088.40	6.28%
State Street International Equities Index Trust	\$190,101,528.53	5.78%
State Street Australian Fixed Income Index Trust	\$174,439,799.45	5.30%
Term Deposits	\$167,239,157.01	5.08%
State Street Global Fixed Income Index Trust	\$165,118,049.62	5.02%

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 month, 6 month 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 2023. Just remember, past performance is not a reliable indicator of future performance.^{4,5}

Super accounts

Investment option	3 months (%)	6 months (%)	1 year (%)	2 years (%)	3 years (%pa)	5 years (%pa)	7 years (%pa)	10 years (%pa)	Since inception (%pa)	Inception date
Australian fixed interest	-2.48	1.30	0.93	-4.31	-3.18	0.28	0.55	1.86	1.93	16/08/2012
Australian listed property	2.97	3.38	7.40	-2.23	6.91	2.97	3.10	6.75	7.61	16/08/2012
Australian shares	1.11	4.31	13.82	4.19	10.40	7.18	8.65	8.57	9.12	29/08/2012
Balanced (Closed to new members)	1.70	5.49	9.26	1.05	5.79	4.69	5.66	5.86	6.40	13/08/2012
Cash option	0.78	1.48	2.35	1.22	0.86	0.96	1.13	1.57	1.76	3/09/2012
Conservative	0.56	3.69	4.81	-0.79	n/a	n/a	n/a	n/a	2.06	1/07/2020
Growth	2.07	5.94	9.70	1.23	6.25	5.16	6.31	6.88	7.54	30/08/2012
High growth	3.24	7.85	13.89	3.01	9.77	7.15	8.91	9.19	10.14	30/08/2012
International fixed interest (hedged)	-0.63	1.54	-2.86	-5.50	-4.16	-0.46	-0.27	1.68	1.77	16/08/2012
International shares	6.88	15.82	20.93	6.70	12.47	10.66	11.51	11.98	13.31	29/08/2012
International shares (hedged)	6.28	13.14	15.51	1.28	10.55	7.57	9.58	9.47	10.39	29/08/2012
Moderate	1.36	5.01	7.49	0.22	n/a	n/a	n/a	n/a	4.43	1/07/2020

Pension accounts

Investment option	3 months (%)	6 months (%)	1 year (%)	2 years (%)	3 years (%pa)	5 years (%pa)	7 years (%pa)	10 years (%pa)	Since inception (%pa)	Inception date
Australian fixed interest	-2.94	1.47	1.14	-4.98	-3.69	0.28	0.60	2.11	1.98	16/08/2012
Australian listed property	3.35	3.82	7.79	-2.75	7.81	3.18	3.34	7.47	8.29	16/08/2012
Australian shares	1.24	4.71	15.00	4.55	11.39	7.94	9.43	9.43	10.39	29/08/2012
Balanced (Closed to new members)	1.85	6.02	9.71	0.99	6.20	5.03	6.13	6.42	6.90	13/08/2012
Cash option	0.91	1.71	2.72	1.41	1.00	1.12	1.31	1.84	1.99	3/09/2012
Conservative	0.68	4.34	5.57	-0.89	n/a	n/a	n/a	n/a	2.28	1/07/2020
Growth	2.39	6.60	10.42	1.05	6.71	5.58	6.87	7.56	8.21	30/08/2012
High growth	3.53	8.67	14.81	3.06	10.80	7.78	9.70	10.07	10.92	30/08/2012
International fixed interest (hedged)	-0.76	1.82	-3.21	-6.39	-4.83	-0.58	-0.35	1.94	1.96	16/08/2012
International shares	7.60	17.39	22.19	6.96	13.24	11.34	12.42	13.00	14.15	29/08/2012
International shares (hedged)	7.09	14.76	16.63	1.13	11.66	8.34	10.43	10.32	10.39	29/08/2012
Moderate	1.49	5.65	8.56	0.22	n/a	n/a	n/a	n/a	5.10	1/07/2020



Transition to Retirement accounts

Investment option	3 months (%)	6 months (%)	1 year (%)	2 years (%)	3 years (%pa)	5 years (%pa)	7 years (%pa)	10 years (%pa)	Since inception (%pa)	Inception date
Australian fixed interest	-2.48	1.30	0.93	-4.31	-3.18	0.28	0.56	2.09	1.96	16/08/2012
Australian listed property	2.97	3.38	7.40	-2.23	6.91	2.97	3.00	7.22	8.06	16/08/2012
Australian shares	1.11	4.31	13.82	4.19	10.40	7.18	8.78	8.97	9.96	29/08/2012
Balanced (Closed to new members)	1.70	5.49	9.26	1.05	5.79	4.69	5.78	6.18	6.67	13/08/2012
Cash option	0.78	1.48	2.35	1.22	0.86	0.96	1.16	1.73	1.90	3/09/2012
Conservative	0.56	3.69	4.81	-0.79	n/a	n/a	n/a	n/a	2.06	1/07/2020
Growth	2.07	5.94	9.70	1.23	6.25	5.16	6.45	7.27	7.93	30/08/2012
High growth	3.24	7.85	13.89	3.01	9.77	7.15	9.11	9.65	10.53	30/08/2012
International fixed interest (hedged)	-0.63	1.54	-2.86	-5.50	-4.16	-0.46	-0.30	1.97	1.99	16/08/2012
International shares	6.88	15.82	20.93	6.70	12.47	10.66	11.71	12.50	13.65	29/08/2012
International shares (hedged)	6.28	13.14	15.51	1.28	10.55	7.57	9.67	9.80	9.88	29/08/2012
Moderate	1.36	5.01	7.49	0.22	n/a	n/a	n/a	n/a	4.43	1/07/2020

^{4,5} The performance information in the tables above represents the historical performance of the managed investment options available within Living Super. The Total Return percentages are calculated by measuring the percentage change in the sell price for each managed investment option over the relevant time period up to one year. Returns for periods greater than one year are annualised. The performance calculation is net of investment 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.



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 2023. The full audited financial statements and auditor report for Living Super are available at ing.com.au.

Statement of Financial Position as at 30 June 2023	2023 \$'000	2022 \$'000
Assets		
Investment assets	3,082,693	2,767,281
Tax assets	5,935	22,796
Other assets	237,665	227,189
Total assets	3,326,293	3,017,266
Liabilities		
Tax liabilities	12,414	24,814
Other Payables	4,983	4,474
Total liabilities	17,397	29,288
Net assets available to pay benefits	3,308,896	2,987,978
Members' benefits	3,297,955	2,969,871
Net assets	10,941	18,107
Equity - Reserves		
ORFR Reserve	9,818	9,017
Unallocated to members' accounts	1,123	9,090
Total Reserves	10,941	18,107

Income Statement for the year ended 30 June 2022	2023 \$'000	2022 \$'000
Investment revenue	318,763	(211,130)
Sundry revenue	5,861	6,454
Investment Expenses	(5,660)	(5,876)
Operating result before income tax	318,964	(210,552)
Income tax (expense)/benefit	(18,089)	35,134
Operating result after income tax	300,875	(175,418)
Net losses/(benefits) allocated to members	(300,875)	175,418
Net operating result	-	-

Statement of Changes in Member Benefits for the year ended 30 June 2023	2023 \$'000	2022 \$'000
Opening balance of member benefits	2,969,871	3,165,089
Contributions received	301,638	274,814
Transfers in from other superannuation funds	83,825	81,509
Income tax on contributions	(37,237)	(33,777)
Net after tax contributions	348,226	322,546
Benefits paid and payable	(301,406)	(313,754)
Insurance premiums charged to members	(12,282)	(11,878)
Death and disability benefits credited to members	9,544	4,750
Reserve transferred to/(from) members	(1,332)	(5,239)
Net investment income/(loss)	300,875	(175,418)
Administrative fees	(15,541)	(16,225)
Closing balance of member benefits	3,297,955	2,969,871

	2023		
	Operational Risk Reserve	Unallocated Surplus	Total Equity
Opening balance as at 1 July 2021	9,781	4,368	14,149
Net transfers to/(from) reserves	(764)	4,722	3,958
Opening balance as at 1 July 2022	9,017	9,090	18,107
Net transfers to/(from) reserves	801	(7,967)	(7,166)
Closing balance as at 30 June 2023	9,818	1,123	10,941



Finally

Online annual report

The Trustee makes this 30 June 2023 annual report available online at ing.com.au.

If you would like a printed copy or have any questions, simply visit ing.com.au/contactus for the best ways and times to connect with our team.

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; or
- 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 about DASP procedures and current taxation rates can be found at ato.gov.au.

Privacy Policy

The Living Super Privacy Policy details how we treat your personal information. A copy of the Privacy Policy is available at <http://www.ing.com.au/help-and-support/documents>, and 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.

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

APRA requires super funds 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 2021	9,781,000
30 June 2022	9,017,000
30 June 2023	9,818,000

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 or rollover to your account within the last 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 within the last 16 months:

- we have not received any rollovers or contributions;
- you have not changed investment options;
- you have not elected to maintain, or have not made changes to your insurance;
- 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

If you have any questions, simply visit ing.com.au/contactus for the best ways and times to connect with our team. You can also directly message us anytime using the Messages function in your ING app or online banking.

Alternatively, you can write to:

ING
GPO Box 4307
Sydney NSW 2001



Making a complaint

At Living Super, we aim to provide the highest quality of service to our customers and your feedback helps us to provide this. You can complain to us at any time and in many different ways. You can call us, send us a letter or email, or use our messaging function after logging in online. How you contact us is up to you. You may lodge a complaint by visiting ing.com.au/contactus for the best ways and times to connect with our team.

When we receive your complaint we may need to verify your identity. Our complaints officer will then 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:

Website: afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678 (toll free)

Mail: 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 need to be lodged 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).

