

SUPPLEMENTARY 30 JUNE 2017 ANNUAL TRUSTEE REPORT

Correction of Investment Manager allocations

AMENDMENT TO 2017 ANNUAL TRUSTEE REPORT

24 NOVEMBER 2017

This Supplementary page corrects the *Investment Manager* allocations on pages 31-32 of the Annual Trustee Report dated 30 June 2017 and should be read in conjunction with that document.

CHANGES:

On page 31, under 'Investment Managers' rows 32–34

- Replace the below percentage totals for 30 June 2017

Investment Manager	Percentage of total 30 June 2017	Percentage of total 30 June 2016
Janus Capital Group Inc	3.51%	5.70%
Kapstream Capital	1.25%	3.78%
Legg Mason Australia	1.87%	1.31%

correction as follows

Investment Manager	Percentage of total 30 June 2017	Percentage of total 30 June 2016
Janus Capital Group Inc	–	5.70%
Kapstream Capital	3.51%	3.78%
Legg Mason Australia	1.25%	1.31%

On page 32, under 'Investment Managers' rows 1–2

- Replace the below percentage totals for 30 June 2017

Investment Manager	Percentage of total 30 June 2017	Percentage of total 30 June 2016
Lend Lease Investment Management	6.16%	2.44%
Macquarie Investment Management	–	6.87%

correction as follows

Investment Manager	Percentage of total 30 June 2017	Percentage of total 30 June 2016
Lend Lease Investment Management	1.87%	2.44%
Macquarie Investment Management	6.16%	6.87%

www.ngssuper.com.au
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NGS SUPER ANNUAL TRUSTEE REPORT

For the year ended 30 June 2017

ngs
Super

Your fund.
Your wealth.
Your future.



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In addition to this Annual Trustee Report, NGS Super publishes Supplementary Annual Reports for its defined benefit sub-plans including the Catholic Church Staff Defined Benefit Members Superannuation Plan (CCSSP) South Australia, Cuesuper Superannuation Defined Benefit Plan (Cue Super), and Penleigh and Essendon Grammar School (PEGS) Defined Benefit Members Superannuation Plan. These Supplementary Annual Reports should be read in conjunction with this Annual Report and are available via www.ngssuper.com.au/annualreport





\$8 BILLION*
IN FUNDS UNDER MANAGEMENT



APPROXIMATELY
9000*
EMPLOYERS ARE USING NGS SUPER



97,800*
MEMBERS IN ACCUMULATION
AND PENSION

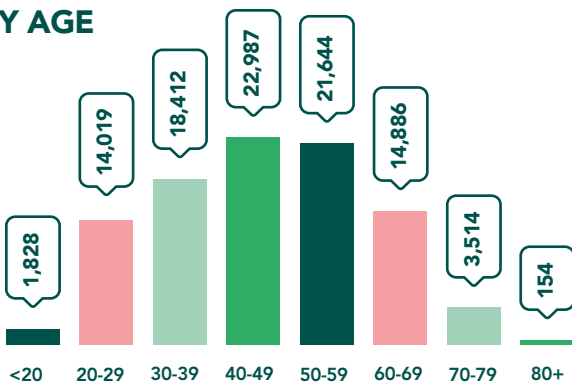


94%*
OF ELIGIBLE[^] MEMBERS
HAVE INSURANCE COVER
WITH NGS SUPER

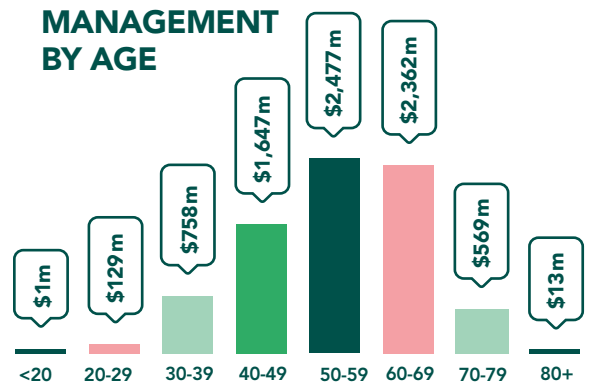


AROUND **1%**
OF MEMBERS HAVE TAKEN
UP FINANCIAL ADVICE WITH
NGS SUPER*

**MEMBERS
BY AGE**



**FUNDS UNDER
MANAGEMENT
BY AGE**



* Approximate value as at 30 June 2017

[^] Members aged under 65 who are in the accumulation phase.

CEO AND CHAIR UPDATE

Hello and welcome to your 2017 Annual Report.



Dick Shearman
Chair, Trustee Board

It is pleasing to report that the Diversified (MySuper) option, in which most members invest, returned a positive outcome for the fifth consecutive year. The option returned **10.92%¹** for Accumulation members and **12.08%¹** for members in the retirement phase.

These results were achieved in an extraordinary investment climate that began with the nervousness around Brexit and continued with the disruption caused by the surprising election of Donald Trump as U.S. President. Shares and other risk assets surged in reaction to Trump's pro-business agenda and a generally improving global economy.

It also further diversified assets to provide the 'ballast' to weather any share market volatility. As part of this strategy, a further \$400 million was allocated to 'real' assets (infrastructure and property) with long-term stable earnings and cash flow, and that have the prospect of steady capital appreciation.

It has been an eventful and busy year for the Fund, with some major milestones and achievements as we continued with our primary and overriding purpose of managing members' money to maximise retirement savings, subject to risk considerations.



Anthony Rodwell-Ball
Chief Executive Officer, NGS Super

The NGS Super Board closely monitors worldwide developments, as it is responsible for both increasing members' savings in good times and conserving them as much as possible in any bad times. The Board responded to the 'risk-on' environment by reviewing all asset classes and appointing new share managers with an eye to capital preservation as well as growth.

¹ Past performance is not a reliable indicator of future performance.

MEMBER SERVICES INITIATIVES

In 2016/17, NGS Super introduced the following initiatives to enhance member services:

- We struck an exclusive partnership with Alan Kohler's The Constant Investor to allow our members to access premium economic content, including investment insights and market commentary.
- We launched an online Knowledge Centre – at www.ngssuper.com.au/knowledge – for members to access exclusive articles on financial investments, wealth advice and trending topics.
- With the launch of our new website, our members and employers now have a major new user-friendly resource.
- NGS Super's customer relationship managers received training to achieve accreditation so they can offer members and employers limited personal financial advice.
- We reviewed and improved our insurance offering, negotiated premium discounts for life and total and permanent disability cover and accepted market-linked increases to income protection insurance. The review included going to tender and benchmarking premiums, features and services against the broader market. As a result, we moved from Commlnsure, the Fund's long-term insurer, to TAL, another major player in the group life insurance market. The Board assessed TAL's digital capabilities and service offerings as best in class.

We are proud to say that our member-first culture and approach was recognised again this year. NGS Super was named a finalist in the Best Fund: Member Services and the Best Fund: Insurance categories of the Chant West 2017 Super Fund Awards.

PRODUCT ENHANCEMENTS

The Board continued to focus on improving the Fund's investment products and better understanding members' needs and wants. As a result, the Income Generator retirement option was overhauled, reconfigured and relaunched as the Retire Plus option. The asset mix of this option aims to maximise retirement income, preserve capital and dampen market volatility. However, we recommend members interested in this option seek personal advice to ensure the best fit for their circumstances given the major risk of living longer than their capital will last.

The Fund undertook major initiatives to enhance the way it provides advice to members. The financial planning business migrated to a new platform provider, to offer more flexible solutions for members and reduce costs. The Board also started a major new project to consider how members' wealth creation can be improved generally through advice and recommendations beyond the narrow confines of superannuation. This was prompted not only by member feedback

but also the pace of legislative change. The federal government has wound back concessions that previously made super a very attractive savings option. The changes include reducing the concessional contribution cap for those aged over 50 from \$35,000 to \$25,000 per annum, and the non-concessional cap from \$180,000 to \$100,000. (Under the three-year 'bring forward' rule, the total non-concessional cap has been reduced to \$300,000 from \$540,000.)

While saving through super continues to be tax-effective, demand is clearly increasing for a broader range of advice services. We will continue to build on work started this financial year to bring new advice services to fruition in 2017/18.

"Thank you for your continued loyalty and trust over the past 12 months. We strive every day to continue to act only in your best interests so that you may retire as comfortably as possible."

2016/17 YEAR IN REVIEW

- oct 2016**
WE STRIKE AN EXCLUSIVE PARTNERSHIP
with Alan Kohler's The Constant Investor to offer members access to premium content, including investment insights and commentary.
- WE ANNOUNCE THE WINNERS**
of the NGS Super Scholarship Awards 2016



- dec 2016**
WE LAUNCH OUR NEW WEBSITE

2016



- nov 2016**
WE LAUNCH OUR ONLINE KNOWLEDGE CENTRE
to offer members access to exclusive articles on financial investments, wealth advice and trending topics.
Visit: www.ngssuper.com.au/knowledge

2017

feb 2017
**OUR CUSTOMER
RELATIONSHIP MANAGERS
BECOME LICENSED**
to provide our NGS Super members with
limited intra-fund financial advice

jun 2017
**WE OFFER NGS
SUPER MEMBERS
AFFORDABLE
PROTECTION**
with income, death and
disability insurance cover
through TAL Life Limited

jan 2017
**GUIDEWAY
FINANCIAL SERVICES**
becomes our new Financial
Planning licensee



may 2017

NGS SUPER IS A FINALIST
for Chant West's Member Services Best
Fund 2017 and for Chant West's Insurance
Best Fund 2017

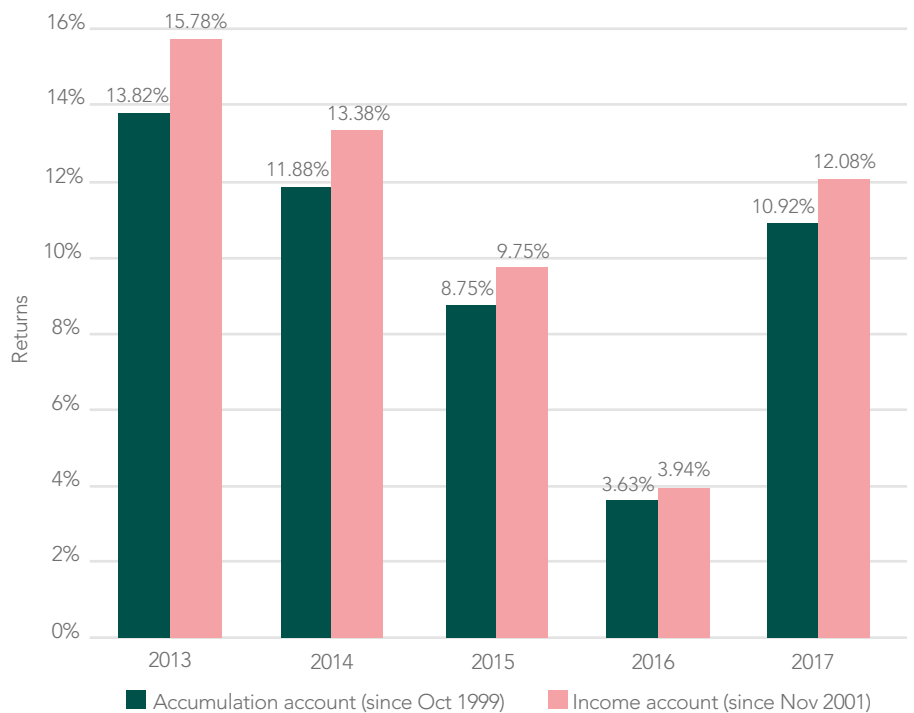
SOLID LONG TERM PERFORMANCE



Ben Squires

Ben Squires
Senior Manager, Investments and Finance

Diversified options 1-year returns % p.a.



The Diversified options *Diversified (MySuper)* for accumulation and *Diversified* for pension, in which 80% of NGS Super members invest, returned **10.92%** for accumulation members and **12.08%** for pension members over the 2017 financial year.

This was the fifth consecutive year of positive returns for the Diversified options.

A POSITIVE YEAR FOR INVESTMENT MARKETS

Despite a high degree of uncertainty about economic growth at the start of the year, coupled with expected increased equity market volatility, economic conditions improved rapidly and volatility reached historical lows.

As a result, investors looked for alternative sources of real income, which drove up growth asset valuations. This was despite a volatile geopolitical backdrop, with the UK voting to leave the European Union and the shock US election result. However, neither had a lasting negative impact on markets.

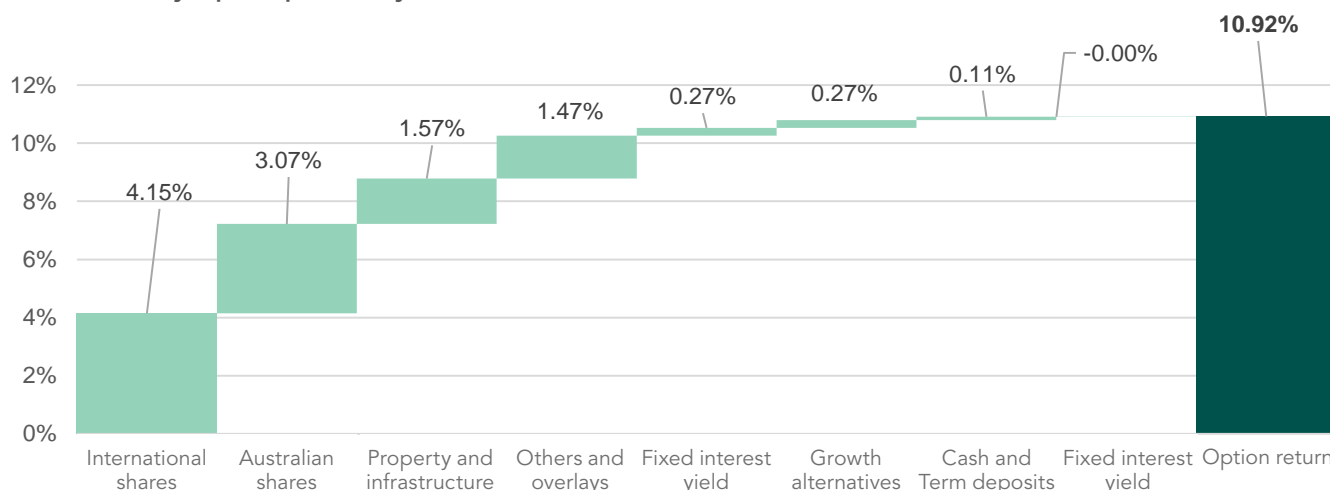
STRONG PERFORMANCE FROM NGS SUPER OPTIONS

The Diversified (MySuper) option returned **10.92%** on strong market growth for the financial year ending 2017. The Australian shares exposure returned 11.72%, global shares returned 13.98%, infrastructure returned 9.57% and direct property returned 9.81%. Fixed income assets had a mixed result, with corporate bonds doing well as credit spreads tightened, while sovereign bonds had a lacklustre result as global interest rates rose from historic lows.

The following graph shows the contribution to the Diversified option return of each sector. Higher weightings to international shares made the biggest contribution to the strong performance for the year ending 30 June 2017.

Solid long term performance

Diversified (MySuper) option – 1-year contribution to return[#]



[#] some additional exposures, such as to currencies and derivatives, contributed to the returns. These represented a less than .01% contribution to the Diversified (MySuper) option return.

ACTIVITY OVER THE YEAR

Significant changes were made to the portfolio over the year with the aim of improving member returns. Some of these changes included:

- an increased allocation to active fund managers that invest in companies with sustainable growth prospects and lower gearing levels. The shift is aimed at protecting against any unforeseen substantial slowdown in economic growth.
- the emerging markets allocation was increased in both the public and private equity sectors earlier in the year given the relative attractive valuations of emerging markets compared with developed markets.
- an additional \$300 million was invested in good quality property and infrastructure investments, with new exposures to the Port of Melbourne, a solar farm in Nyngan, NSW, and NSW land titles registration services to name a few.
- another \$200 million was invested in property, infrastructure and private equity.
- the exposure to other types of alternative assets is being increased to make the fund less reliant on rising equity markets, or global growth, to generate excess returns following the strong run for growth assets.
- the pre-mixed pension options are being improved in recognition of the need for income and stable returns in retirement. Most changes relate to the equity sectors, where we aim to reduce downside risks and increase post-tax income without sacrificing long-term returns.
- NGS has engaged Sustainalytics to analyse the environmental, social and governance characteristics of the fund's equity holdings in recognition that many members are sensitive about the type of companies they invest in. With this greater clarity, NGS urges fund managers to press companies for change.

POSITIVE SIGNALS CONTINUE BUT CAUTION REMAINS

The Fund continues to focus on maintaining a diversified portfolio of complementary assets that can achieve rates of income and capital growth above inflation over time. Earnings growth for companies is a lead indicator of economic growth and the signals remain positive. Central banks are becoming more hawkish (a desire to raise rates) and interest rate rises will place pressure on interest rate-sensitive assets. However, if interest rates are raised too aggressively, this would have the dual effect of increasing both credit spreads and equity market volatility. We believe these conditions would favour the fund's active managers, who can select 'best in class' companies. Geopolitical risks will remain heightened, though markets have demonstrated inertia and resilience in response to political surprises. This may not be the case if tensions in North Korea escalate. We will continue to monitor global events and maintain a diversified portfolio that will counter volatility and add to long-term investment returns.

HOW WE INVEST YOUR MONEY

Investment earnings are allocated to your account balance based on changes to the NGS Super unit prices, which are calculated weekly and can be accessed via www.ngssuper.com.au/investments.

The investments are held by a custodian that safeguards them and monitors changes in their value in accordance with regulatory requirements. The custodian calculates the fund's unit prices and notifies your account administrator who applies them.

Weekly unit prices reflect the changes to the underlying investments for each option. Your account balances are calculated by multiplying the number of units by the unit price at that time.

This means investment market movements and valuations are translated to your account balance. The investment returns quoted in this report reflect the return (after investment management fees, asset fees and taxes) that would have been achieved if you had invested in a particular option for the 12 months to 30 June 2017. If you made contributions during the year, those contributions would have received the investment return equal to the change in the unit price only between the time the contributions were allocated to your account and the end of the financial year.

If you changed investment options during the year, your investment returns would differ from the returns shown in this Annual Report because they would be based on the changes in the relevant unit prices of each option selected for the period you were invested.

YOUR NGS SUPER ACCUMULATION ACCOUNT

All the contributions paid by you or your employer, as well as any amounts you transfer from another super fund, are placed into your Accumulation account.

The money in your account is then invested according to your investment option(s). Each time we receive a contribution from you or your employer, we allocate units to your account at the current unit price for your investment option. Your account balance increases or decreases according to the collective performance of the underlying assets.

We deduct government taxes and member fees from your account, as well as insurance premiums if you have insurance cover.

The Trustee sets the reserve levels based on the anticipated operating expenses of the Fund and an allowance for contingent liabilities. The reserve at 30 June 2017 was \$46.25 million or 0.60% of funds under management.

ADMINISTRATION AND OPERATIONAL RISK RESERVE

Operational risk reserve accounts are established in accordance with the fund's trust deed and NGS Super's Operational Risk Reserve Policy. The reserves ensure sufficient funds are available to protect members against significant events that may affect the operating costs of NGS Super, including any contingent liabilities arising from operational errors.

Having reserves also ensures funds are available if we decide to introduce new products and services for members. It means not having to immediately recover costs from member accounts. The reserves are required under the Trustee's Responsible Superannuation Entity licensing conditions. To comply, the Trustee must ensure it is sufficiently resourced given its size and complexity to guarantee its ongoing solvency and that it meets its operational risk financial requirement.

These reserves are maintained by retaining a small portion of the fees charged to members together with interest. The reserve account is invested across a number of NGS Super investment options.

The levels of reserves for 30 June 2017 and preceding years are shown below:

As at 30 June	\$M	% of assets
2017	\$46.25	0.60
2016	\$38.36	0.53
2015	\$34.43	0.50
2014	\$27.41	0.45
2013	\$22.18	0.42

How we invest your money

INVESTMENT MANAGEMENT FEES

The fees listed below represent the actual costs incurred as at 30 June. Information on these fees can be found in the *Fees, costs and tax* fact sheet on our website.

NGS Super Investment option	Superannuation (Accumulation) account			Income account		
	Management fees % p.a.	Performance fees % p.a.	Total fee % p.a.	Management fees % p.a.	Performance fees % p.a.	Total fee % p.a.
Pre-mixed options						
Moderate Growth ¹	n/a	n/a	n/a	0.58	0.06	0.64
Diversified (MySuper) ¹ / Diversified ²	0.66	0.09	0.75	0.71	0.06	0.77
High Growth	0.57	0.09	0.66	0.63	0.05	0.68
Balanced	0.53	0.08	0.61	0.57	0.06	0.63
Defensive	0.51	0.07	0.58	0.53	0.06	0.59
Socially Responsible Diversified	0.52	0.09	0.61	0.57	0.06	0.63
Indexed Growth	0.17	0.00	0.17	0.17	0.00	0.17
Income Generator ³	n/a	n/a	n/a	0.57	0.05	0.62
Shares Plus	0.51	0.06	0.57	0.60	0.00	0.60
Sector-specific options						
Australian Shares	0.42	0.13	0.55	0.63	0.00	0.63
International Shares	0.44	0.00	0.44	0.44	0.00	0.44
Property	0.54	0.00	0.54	0.54	0.00	0.54
Diversified Bonds	0.47	0.00	0.47	0.47	0.00	0.47
Cash and Term Deposits	0.15	0.00	0.15	0.15	0.00	0.15

¹ This option is available for income accounts only. Moderate Growth is the default option for Income account members who have not made an investment choice.

² This option is referred to as Diversified (MySuper) for Accumulation accounts and Diversified for Income accounts. Diversified (MySuper) is the default option for members with an Accumulation account who have not made an investment choice.

³ This option was available for income accounts only. This option is now closed (effective 31 July 2017).

EARNINGS ON INVESTMENT OPTIONS

For the 2016/2017 financial year, earnings on income stream investments were tax-free. As a result the investment returns for the *NGS Transition to retirement account* and *NGS Income account* differ from the returns on the *NGS Accumulation account* (shown on pages 15 to 29 of this Annual Report). Where investment earnings are positive, earnings on income accounts will generally be higher than earnings on the equivalent accumulation account investment option as no tax is deducted from the gross earnings on income stream assets.

From 1 July 2017, investment earnings in the:

- *NGS Income account* will continue to be tax-free
- *NGS Transition to retirement account* will no longer be tax free. They will be concessionally taxed at up to 15%, the same as the *NGS Accumulation account*.

SUPPORTING OUR MEMBERS



The NGS Super Scholarship Awards 2016 – Judge’s Choice Winner, Dale Kelly

English teacher Dale Kelly grew up in South Africa and was deeply affected by the poverty he witnessed daily through his classroom windows. The experience led him to become a teacher in Australia so he could instil independence, social justice and a generous global outlook in his students.

Last year, Kelly, who teaches at St Stephen’s School in Duncraig, Western Australia, secured a grant worth more than \$4,000 through the NGS Super Scholarship Awards program (formerly known as the Dedicated to the Dedicated Awards).

WORLD OF DIFFERENCE

The funding enabled him to take 17 Year 10 students, on the ‘trip of a lifetime’ in April this year to continue revamping an orphanage in South Africa. The orphanage, day care centre and foster home, called Jehovah Jireh Haven, houses more than 100 underprivileged children. Many have been orphaned by the HIV virus.

“We wanted to launch an international service program that built on the school’s motto – ‘Serve God, serve one another,’” explains Kelly, who has now taken three school trips to the orphanage, which was introduced to him by his parents.

Over that time, the St Stephen’s School students have retiled two dilapidated bathrooms, paved an entire sports court, built and painted an adventure playground – complete with zip line – and created a laundry out of a shipping container.

“The facilities have changed the children’s lives and allowed staff to dedicate more time to them”

The facilities have changed the children’s lives and allowed staff to dedicate more time to them. “With more than 100 children there, washing all the clothes by hand was killing human resources,” says Kelly. “The people helping were spending all their time doing laundry, so now they are free to give more attention to the kids.”

St Stephen’s School already has a thriving program of overseas service, with Year 12 students going to Cambodia and Year 11s experiencing Malaysia. But the Year 10 initiative was made possible this year by the NGS Super grant, which acknowledged Kelly’s enterprising approach to charitable projects.

The travellers were self-funded but each student also had to raise \$750 to support works over there. “One boy worked in a butcher’s shop, another picked up extra shifts as a referee at his soccer club and others did sausage sizzles,” says Kelly.

The two-week itinerary included a day in Cape Town, visits to a township primary school and homeless shelter, where the children donated soccer and netball equipment, outings with South African children to a restaurant, game reserve and ice-skating plus six days working at the orphanage.

NGS Super Scholarship Awards

NGS Super offers members six scholarships each year for up to \$5,000 each to outstanding educators who proactively go the extra mile to better themselves, their independent schools and the education sector.

The scholarships allow successful applicants to complete a study tour, professional development course or project in Australia or overseas.

This year’s scholarships are now closed.

Visit: www.ngssuper.com.au/scholarships for details of our 2017 winners.

Supporting our members

LAYING THE GROUNDWORK

Health and safety concerns meant the trip needed careful planning, with Kelly and a colleague driving the full journey a few months before the first school trip to ensure everything would run smoothly.

The children also attended workshops at hardware chain Bunnings before the journey to learn building skills for very physical 12-hour days at the orphanage.

"When the kids arrived there, I was really comfortable that they knew how to use a drill, a saw, impact drivers. We just let them get on with it," says Kelly. "It encouraged independence and responsibility. They were able to step back and say, 'I did that!' That's a massive achievement for a 15-year-old."



SCHOLARSHIP PROPELS STUDENTS' EFFORTS

Apart from opening their eyes to the privileges they have in Australia, such as excellent healthcare and social benefits, one unexpected outcome was an improvement in the students' English grades.

"The kids came back better writers because they were more mature and they had more scope to draw from," explains Kelly. "Now when they get upset about first-world problems they have a bit of perspective."

Due to the tour's success, 26 children have applied for 18 places next year. The group plans to build a new dining room and kitchen and add lights to the sports court.

Kelly admits the NGS Super grant pushed the project along further than expected and paid for washing machines and the adventure playground. "Four thousand dollars is about 40,000 South African Rand – so the money really did help. It went a long way," he says.

Money cannot buy the life-changing experience and impact the trip has on the Australian students though, adds Kelly. "My upbringing probably affected my outlook now – they will probably look back in 10 years' time and say that trip really did change my life and my mindset," he says.



*Written by Rebecca Barker



YOUR NGS SUPER INVESTMENT OPTIONS

MODERATE GROWTH¹

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range [†]
Growth	62%	50 – 80%
Australian shares	25%	15 – 35%
International shares	25%	15 – 35%
Infrastructure	10%	0 – 20%
Growth alternatives	2%	0 – 10%
Defensive	38%	20 – 50%
Fixed interest yield	7%	0 – 15%
Property (direct)	10%	0 – 20%
Defensive alternatives	0%	0 – 10%
Cash and Term Deposits	5%	0 – 25%
Fixed interest duration	16%	0 – 25%
Foreign currency exposure	18%	0 – 40%

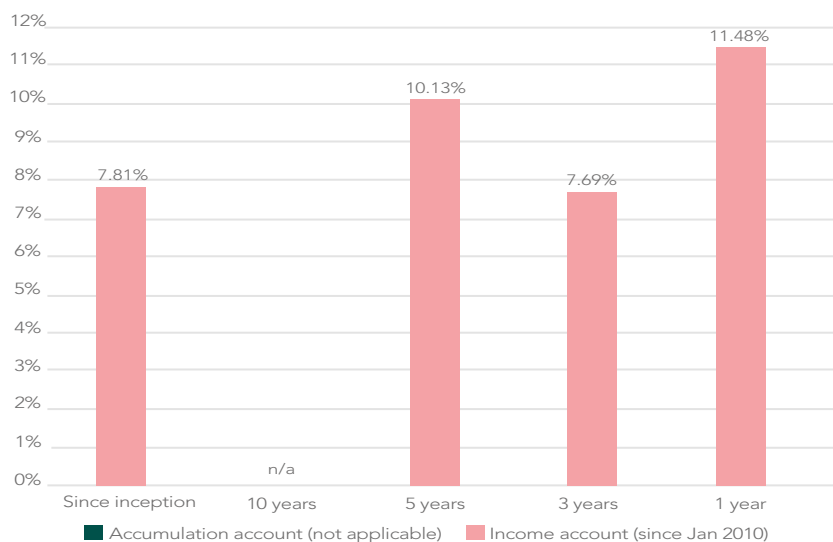
Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns[§]

Period ending 30 June 2017% p.a.



§ This table shows this investment option's annual effective rate of net return (i.e. the actual rate of return net of tax and investment expenses) over the past ten years or for the period which the investment option has been offered if less than ten years. Past performance is not a reliable indicator of future performance.

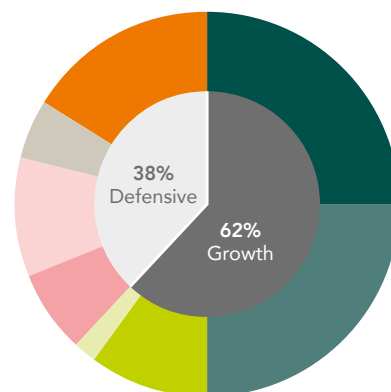
[¶] The Trustee is required by law to set these objectives. They are neither a forecast nor a guarantee of future investment returns. It is anticipated that the CPI objective should be achieved over the long term. However, due to the volatile nature of investment markets and the lack of direct linkage between market returns and inflation, there may be periods when investment returns are not above the objective.

¹ This is the default investment option for the *Income* and *Transition to retirement* accounts. From 1 July 2017 the *Diversified (MySuper)* option will become the default option for the *Transition to retirement* account, and the *Moderate Growth* option will no longer be available for this account.

Availability:

✗ **Accumulation account**

✓ **Income account**
(including *Transition to retirement* account to 30 June 2017)¹



Risk over each time horizon

5 years	Medium to high
10 years	Medium
20 years	Low

Investment performance objective is to achieve a net return[†]: 3% above CPI per annum over rolling five year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least ten years before it meets its objectives.

What type of investment is it?

Includes most of the asset classes that NGS Super uses but has a higher weighting to investments in assets with the potential for medium to long-term growth, such as shares, infrastructure and property, and assets that provide greater levels of liquidity to meet the income needs during retirement. **N.B. This is the option your money will be invested in (for the accounts shown above) if you do not advise us of your investment choice.**

Expected frequency of negative return over 20 year period: Approximately three years in 20.

This option may be right for you if you seek:

To achieve attractive long term returns, whilst accepting a reasonable level of volatility in returns. This option has a lower allocation to growth assets versus the diversified option and corresponding lower expected volatility and returns.

DIVERSIFIED¹

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	72%	55 – 85%
Australian shares	27%	15 – 40%
International shares	27%	15 – 40%
Infrastructure	10%	0 – 20%
Growth alternatives	8%	0 – 20%
Defensive	28%	15 – 45%
Fixed interest yield	5%	0 – 20%
Property (direct)	10%	0 – 20%
Defensive alternatives	0%	0 – 20%
Cash and Term Deposits	3%	0 – 25%
Fixed interest duration	10%	0 – 20%
Foreign currency exposure	15%	0 – 40%

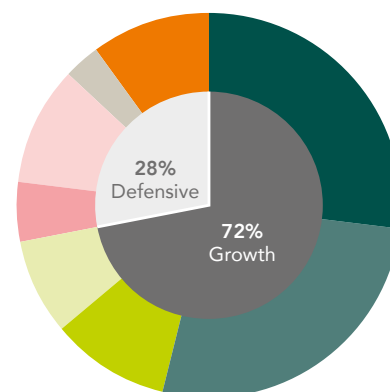
Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

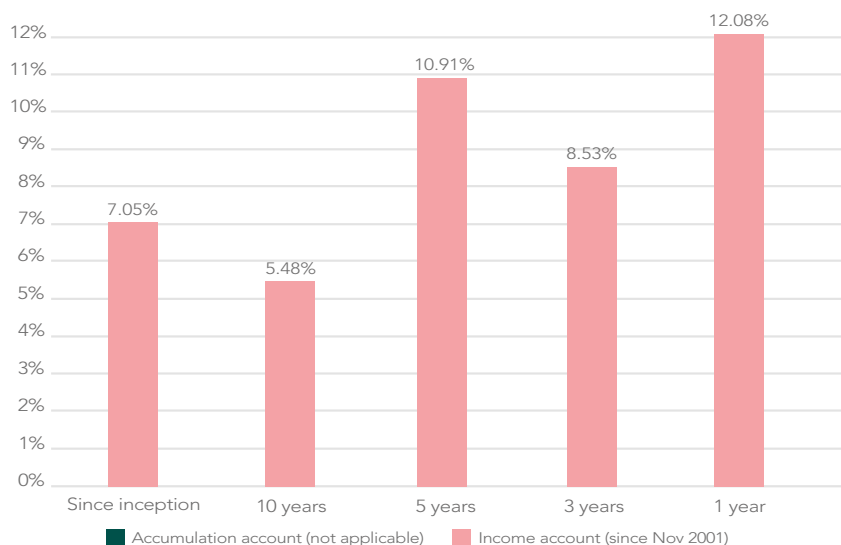
Availability:

- ✗ **Accumulation account**
- ✓ **Income account**
(including *Transition to retirement account* to 30 June 2017)¹



Recent effective rates of investment returns[§]

Period ending 30 June 2017 % p.a.



§ This table shows this investment option's annual effective rate of net return (i.e. the actual rate of return net of tax and investment expenses) over the past ten years or for the period which the investment option has been offered if less than ten years. Past performance is not a reliable indicator of future performance.

¹ The Trustee is required by law to set these objectives. They are neither a forecast nor a guarantee of future investment returns. It is anticipated that the CPI objective should be achieved over the long term. However, due to the volatile nature of investment markets and the lack of direct linkage between market returns and inflation, there may be periods when investment returns are not above the objective.

¹ From 1 July 2017 *Transition to retirement accounts* must be invested in an *Accumulation account* investment option where earnings are taxed at up to 15%.

Risk over each time horizon

5 years	Medium to high
10 years	Medium
20 years	Low

Investment performance objective is to achieve a net return¹: 3% above CPI per annum over rolling ten year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least ten years before it meets its objectives.

What type of investment is it?

Includes most of the asset classes that NGS Super uses but has a higher weighting to investments in assets with the potential for medium to long-term growth, such as shares, infrastructure and property.

Expected frequency of negative return over 20 year period: Approximately three years in 20.

This option may be right for you if you seek:

To achieve attractive long term returns, whilst accepting a reasonable level of volatility in returns. This option is suitable for members with a medium to long term investment horizon and reasonable risk tolerance. This is also the default option for accumulation members.

DIVERSIFIED (MYSUPER)¹

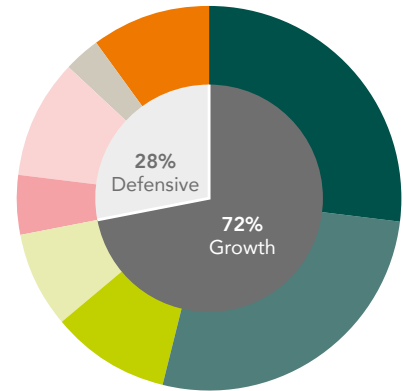
Availability:

- ✓ **Accumulation account**
(including *Transition to retirement* account to 30 June 2017)¹
- ✗ **Income account**

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	72%	55 – 85%
Australian shares	27%	15 – 40%
International shares	27%	15 – 40%
Infrastructure	10%	0 – 20%
Growth alternatives	8%	0 – 20%
Defensive	28%	15 – 45%
Fixed interest yield	5%	0 – 20%
Property (direct)	10%	0 – 20%
Defensive alternatives	0%	0 – 20%
Cash and Term Deposits	3%	0 – 25%
Fixed interest duration	10%	0 – 20%
Foreign currency exposure	15%	0 – 40%

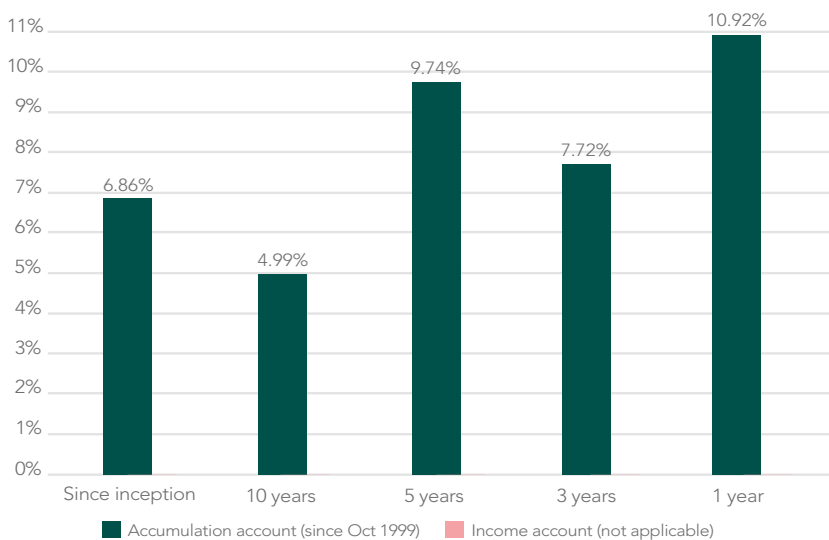


Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.
 † The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns[§]

Period ending 30 June 2017 % p.a.



§ This table shows this investment option's annual effective rate of net return (i.e. the actual rate of return net of tax and investment expenses) over the past ten years or for the period which the investment option has been offered if less than ten years. Past performance is not a reliable indicator of future performance.

¹ The Trustee is required by law to set these objectives. They are neither a forecast nor a guarantee of future investment returns. It is anticipated that the CPI objective should be achieved over the long term. However, due to the volatile nature of investment markets and the lack of direct linkage between market returns and inflation, there may be periods when investment returns are not above the objective.

¹ This is the default option for the *Accumulation account*. From 1 July 2017 this option will become the default option for the *Transition to retirement account*.

Risk over each time horizon

5 years	Medium to high
10 years	Medium
20 years	Low

Investment performance objective is to achieve a net return[¶]: 3% above CPI per annum over rolling ten year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least ten years before it meets its objectives.

What type of investment is it?

Includes most of the asset classes that NGS Super uses but has a higher weighting to investments in assets with the potential for medium to long-term growth, such as shares, infrastructure and property.

Expected frequency of negative return over 20 year period: Approximately three years in 20.

This option may be right for you if you seek:

To achieve attractive long term returns, whilst accepting a reasonable level of volatility in returns. This option is suitable for members with a medium to long term investment horizon and reasonable risk tolerance. This is also the default option for accumulation members.

HIGH GROWTH

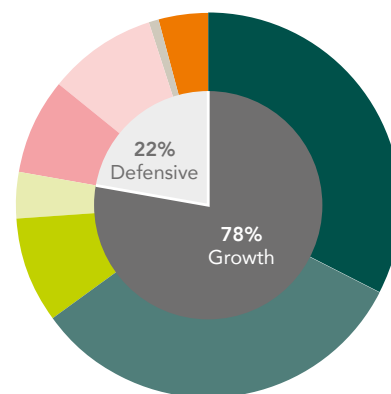
Availability:

- ✓ **Accumulation account**
(including *Transition to retirement* account from 1 July 2017)
- ✓ **Income account**
(including *Transition to retirement* account to 30 June 2017)¹

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range [†]
Growth	78%	70 – 95%
Australian shares	32.5%	20 – 45%
International shares	32.5%	20 – 45%
Listed property	0%	0 – 10%
Infrastructure	9%	0 – 15%
Growth alternatives	4%	0 – 10%
Defensive	22%	5 – 30%
Fixed interest yield	8%	0 – 15%
Property (direct)	9%	0 – 15%
Defensive alternatives	0%	0 – 10%
Cash and Term Deposits	1%	0 – 20%
Fixed interest duration	4%	0 – 15%
Foreign currency exposure	25%	0 – 55%



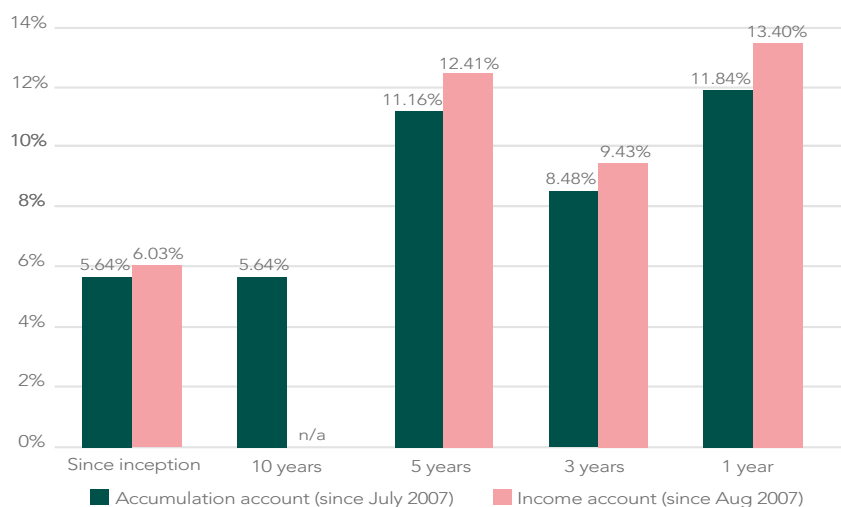
Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns[§]

Period ending 30 June 2017 % p.a.



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¹ From 1 July 2017 *Transition to retirement* accounts must be invested in an *Accumulation account* investment option where earnings are taxed at up to 15%.

Risk over each time horizon

5 years	Medium to high
10 years	Medium
20 years	Low

Investment performance objective is to achieve a net return[¶]: 4% above CPI over rolling ten year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least ten years.

What type of investment is it?

A diversified investment option with a substantial weighting towards those assets which will potentially produce superior returns over the longer term.

Expected frequency of negative return over 20 year period: Approximately four years in 20.

This option may be right for you if

you seek: To grow your super and desire a diversified range of assets in your portfolio whilst tolerating a high level of volatility of returns.

BALANCED

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	54%	35 – 65%
Australian shares	20%	10 – 30%
International shares	20%	10 – 30%
Infrastructure	10%	0 – 20%
Growth alternatives	4%	0 – 10%
Defensive	46%	35 – 65%
Fixed interest yield	5%	0 – 20%
Property (direct)	10%	0 – 20%
Defensive alternatives	0%	0 – 10%
Cash and Term Deposits	16%	0 – 30%
Fixed interest duration	15%	0 – 20%
Foreign currency exposure	15%	0 – 40%

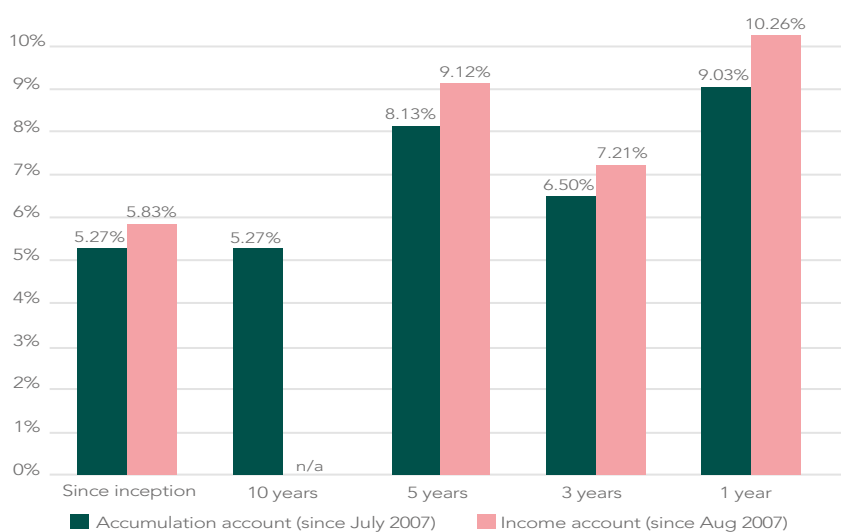
Indicative asset allocation and ranges

* The **strategic allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns[§]

Period ending 30 June 2017 % p.a.



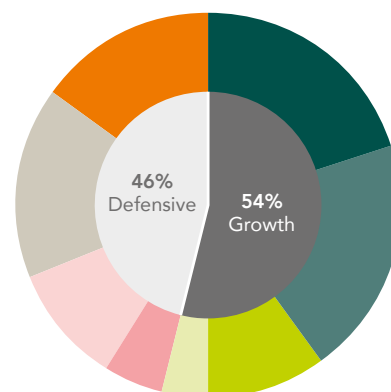
§ This graph shows this investment option's annual effective rate of net return (i.e. the actual rate of return net of tax and investment expenses) over the past ten years or for the period which the investment option has been offered if less than ten years. Past performance is not a reliable indicator of future performance.

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¹ From 1 July 2017 *Transition to retirement* accounts must be invested in an *Accumulation account* investment option where earnings are taxed at up to 15%.

Availability:

- ✓ **Accumulation account**
(including *Transition to retirement account* from 1 July 2017)
- ✓ **Income account**
(including *Transition to retirement account* to 30 June 2017)¹



Risk over each time horizon

5 years	Medium
10 years	Low to medium
20 years	Low

Investment performance objective is to achieve a net return[¶]: 2% above CPI over rolling three year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least seven years.

What type of investment is it?

An investment option split evenly between assets which provide the prospect for capital growth and assets which display defensive characteristics.

Expected frequency of negative return over 20 year period: Approximately two years in 20.

This option may be right for you if you seek:

To achieve reasonable long term returns whilst limiting volatility to a moderate level. This is likely to result in lower investment returns than may be achieved in more equity-orientated options and is suitable if you are seeking moderate returns with a low risk tolerance over the medium term.

DEFENSIVE

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	37%	15 – 50%
Australian shares	12%	0 – 20%
International shares	12%	0 – 20%
Infrastructure	10%	0 – 20%
Growth alternatives	3%	0 – 15%
Defensive	63%	50 – 85%
Fixed interest yield	7%	0 – 30%
Property (direct)	16%	0 – 30%
Defensive alternatives	0%	0 – 20%
Cash and Term Deposits	20%	5 – 35%
Fixed interest duration	20%	5 – 35%
Foreign currency exposure	8%	0 – 20%

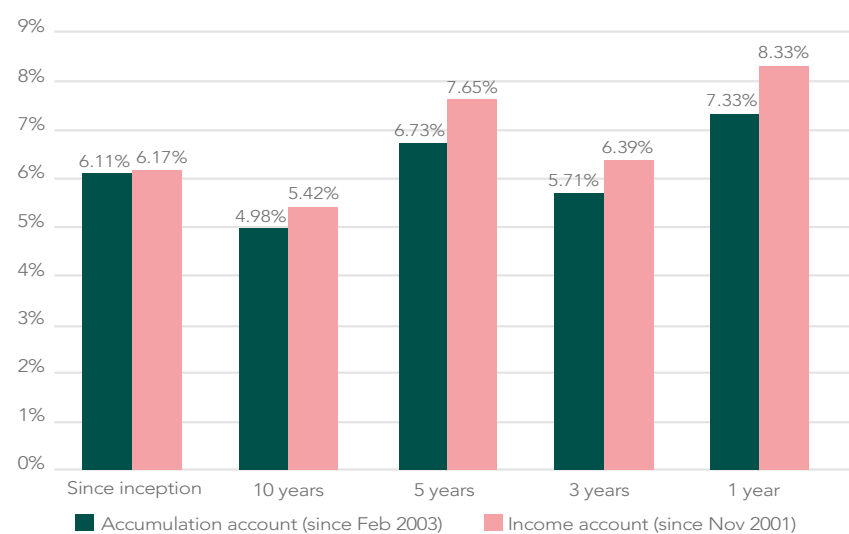
Indicative asset allocation and ranges

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† The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns§

Period ending 30 June 2017 % p.a.



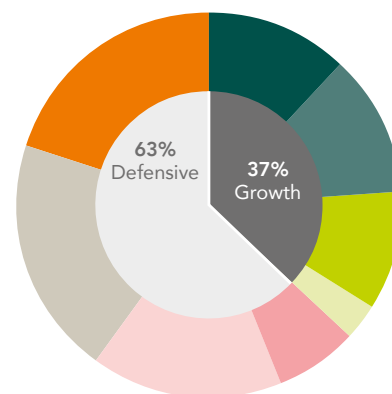
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¹ From 1 July 2017 *Transition to retirement* accounts must be invested in an *Accumulation account* investment option where earnings are taxed at up to 15%.

Availability:

- ✓ **Accumulation account**
(including *Transition to retirement account* from 1 July 2017)
- ✓ **Income account**
(including *Transition to retirement account* to 30 June 2017)¹



Risk over each time horizon

5 years	Low to medium
10 years	Low
20 years	Low

Investment performance objective is to achieve a net return[¶]: 1% above CPI over rolling three year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least five years.

What type of investment is it?

A relatively conservative investment option with a high weighting towards the more defensive types of assets such as cash, fixed interest, defensive alternative funds and direct property. There is a smaller weighting to assets such as shares and infrastructure which provides the prospect for some capital growth.

Expected frequency of negative returns over 20 year period: Approximately one year in 20.

This option may be right for you if you seek: To have relatively stable short term returns, whilst accepting that this is likely to result in lower investment returns over the long term. This option is suitable for those with short time horizons or low risk tolerances.

SOCIALLY RESPONSIBLE DIVERSIFIED

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	58%	45 – 75%
Australian shares	22.5%	10 – 30%
International shares	22.5%	10 – 30%
Infrastructure	10%	0 – 20%
Growth alternatives	3%	0 – 10%
Defensive	42%	25 – 55%
Fixed interest yield	5%	0 – 20%
Property (direct)	15%	0 – 30%
Defensive alternatives	0%	0 – 10%
Cash and Term Deposits	10%	0 – 20%
Fixed interest duration	12%	0 – 20%
Foreign currency exposure	15%	0 – 40%

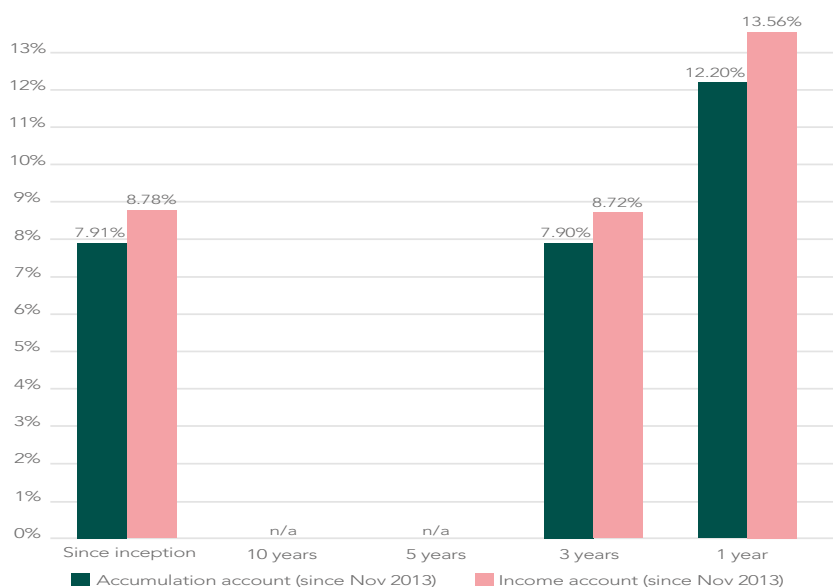
Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns§

Period ending 30 June 2017 % p.a.



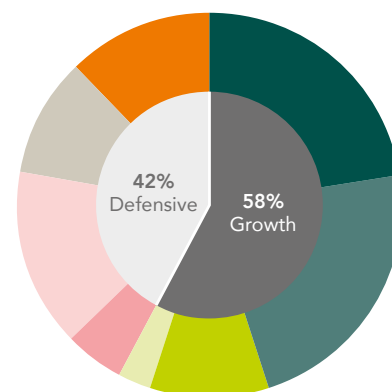
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¹ From 1 July 2017 *Transition to retirement* accounts must be invested in an *Accumulation account* investment option where earnings are taxed at up to 15%.

Availability:

- ✓ **Accumulation account**
(including *Transition to retirement* account from 1 July 2017)
- ✓ **Income account**
(including *Transition to retirement* account to 30 June 2017)¹



Risk over each time horizon

5 years	Medium
10 years	Low to medium
20 years	Low

Investment performance objective is to achieve a net return[¶]: 3% above CPI over rolling 10 year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least ten years before it meets its objectives.

What type of investment is it?

Includes higher weighting to investments in assets with the potential for medium to long-term growth such as shares, infrastructure and property, than fixed interest and cash. Shares in this option are predominantly invested in sectors and companies that have ranked highly when considering environmental, social and governance factors. This option screens out investments in companies deemed to have a high social impact such as those in the tobacco and armaments industries.

This option is designed for members seeking medium to long-term growth who are willing to accept short-term fluctuations in returns.

Expected frequency of negative return over 20 year period: Approximately three years in 20.

This option may be right for you if you seek: To achieve attractive long term returns, whilst accepting a reasonable level of volatility in returns. This option is suitable for members with a medium to long term investment horizon and reasonable risk tolerance.

INDEXED GROWTH

Asset allocation Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	67%	50 – 80%
Australian shares	27.5%	15 – 40%
International shares	27.5%	15 – 40%
Listed property	6%	0 – 20%
Infrastructure	6%	0 – 20%
Growth alternatives	0%	0 – 10%
Defensive	33%	20 – 50%
Fixed interest yield	0%	0 – 15%
Defensive alternatives	0%	0 – 10%
Cash and Term Deposits	5%	0 – 20%
Fixed interest duration	28%	0 – 40%
Foreign currency exposure	20%	0 – 50%

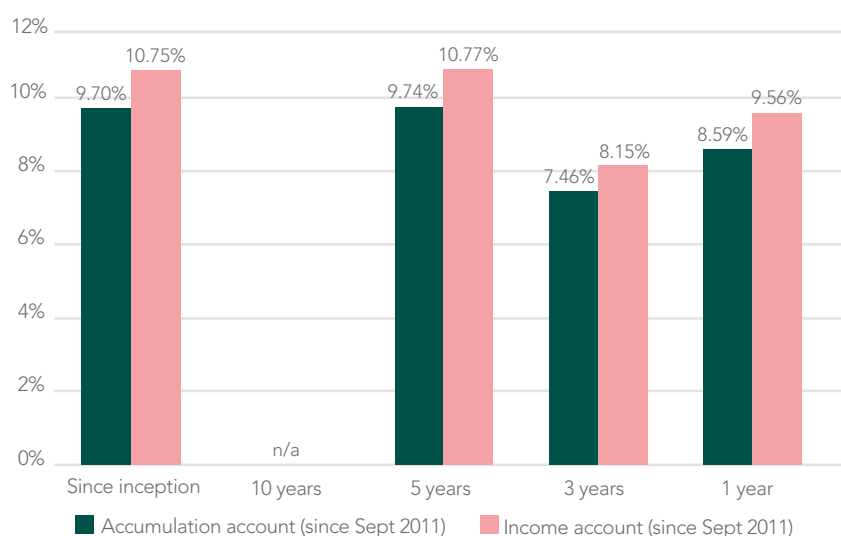
Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns[§]

Period ending 30 June 2017 % p.a.



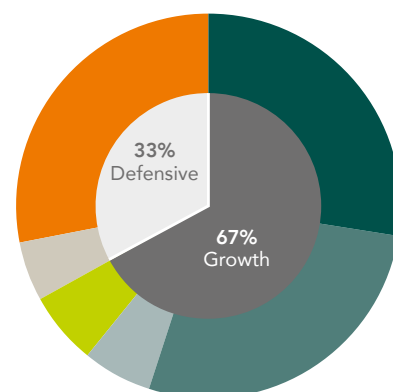
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¹ From 1 July 2017 *Transition to retirement* accounts must be invested in an *Accumulation account* investment option where earnings are taxed at up to 15%.

Availability:

- ✓ **Accumulation account**
(including *Transition to retirement account* from 1 July 2017)
- ✓ **Income account**
(including *Transition to retirement account* to 30 June 2017)¹



Risk over each time horizon

5 years	High
10 years	Medium
20 years	Low

Investment performance objective is to achieve a net return[¶]: 3% above CPI over rolling ten year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least ten years before it meets its objectives.

What type of investment is it?

Includes asset classes where a broad market index is available and investible. The option will aim to provide exposure to these asset classes through the use of passive indexing strategies. There are no investments in unlisted assets.

Expected frequency of negative return over 20 year period: Approximately four years in 20.

This option may be right for you if you seek:

To achieve attractive long term market index returns, whilst desiring the lowest possible fee and accepting a reasonable level of volatility in returns. This option is suitable if you do not seek to outperform the market and have reasonable tolerance of volatility.

RETIRE PLUS¹

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	63%	5 – 95%
Australian shares	26%	5 – 40%
International shares	13%	5 – 40%
Private equity	0%	0 – 7%
Infrastructure	22%	0 – 30%
Growth alternatives	2%	0 – 10%
Defensive	37%	5 – 95%
Fixed interest yield	4%	0 – 20%
Property	22%	0 – 30%
Defensive alternatives	0%	0 – 10%
Cash and Term Deposits	2%	0 – 10%
Fixed interest duration	9%	0 – 20%
Foreign currency exposure	15%	0 – 100%

Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns

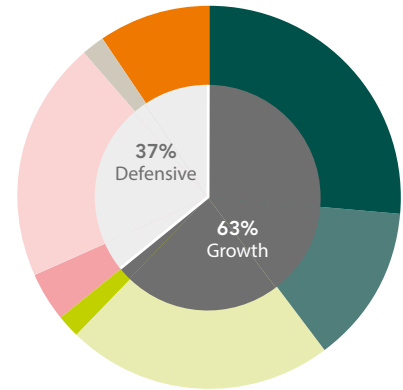
Period ending 30 June 2017 % p.a.

This option commenced on 1 August 2017, therefore no performance history is available.

Availability:

✗ Accumulation account

✓ Income account¹



Risk over each time horizon

5 years Medium

10 years Low to medium

20 years Low

Investment performance objective of new investment option is to achieve a net return:

4% above CPI over rolling 10 year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least five to seven years before it meets its objectives.

What type of investment is it?

An investment option split evenly between assets which provide the prospect for capital growth and income.

Expected frequency of negative return over 20 year period:

Approximately two years in 20.

This option may be right for you if you seek:

To achieve attractive long term returns through higher levels of income producing assets that aim to grow with inflation, whilst limiting variability in capital growth. This option is suitable if you are seeking a greater degree of stability of returns over the medium to long term.

¹ This option will become available from 1 August 2017. It is not available for *Transition to retirement accounts*.

SHARES PLUS

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	99%	85 – 100%
Australian shares	49.5%	35 – 65%
International shares	49.5%	35 – 65%
Growth alternatives	0%	0 – 10%
Defensive	1%	0 – 15%
Cash and Term Deposits	1%	0 – 10%
Foreign currency exposure	15%	0 – 60%

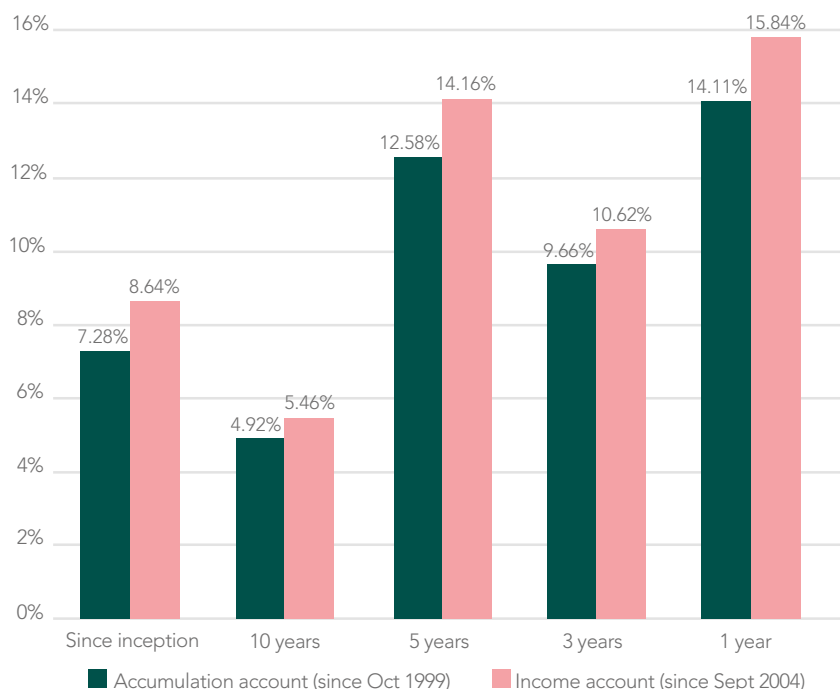
Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns[§]

Period ending 30 June 2017 % p.a.



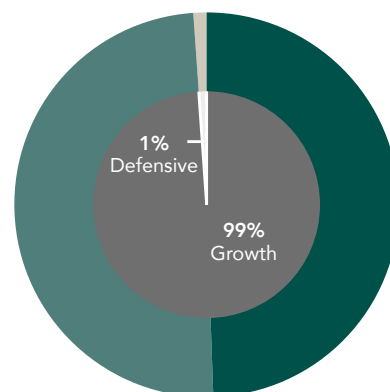
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¹ From 1 July 2017 *Transition to retirement* accounts must be invested in an *Accumulation account* investment option where earnings are taxed at up to 15%.

Availability:

- ✓ **Accumulation account**
(including *Transition to retirement account* from 1 July 2017)
- ✓ **Income account**
(including *Transition to retirement account* to 30 June 2017)¹



Risk over each time horizon

5 years	High
10 years	Medium
20 years	Low to medium
	*Low (for <i>Income account</i>)

Investment performance objective is to achieve a net return[¶]: 4.5% above CPI over rolling ten year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least ten years.

What type of investment is it?

Invested predominantly in companies listed on Australian and major international stock exchanges, but with small exposures to other assets which offer potentially higher levels of return, but potentially high levels of variability in returns.

Expected frequency of negative return over 20 year period: Approximately six years in 20.

This option may be right for you if you seek:

To grow your super over the long term through exposure purely to equities. Returns are likely to be very volatile.

* This standard risk measure in the *Income account* differs from the equivalent investment option in the *Accumulation account* due to differing tax treatment of the *Income account*.

AUSTRALIAN SHARES

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	100%	90 – 100%
Australian shares	100%	90 – 100%
Defensive	0%	0 – 10%
Cash	0%	0 – 10%
Term Deposits	0%	0 – 10%
Foreign currency exposure	0%	0 – 0%

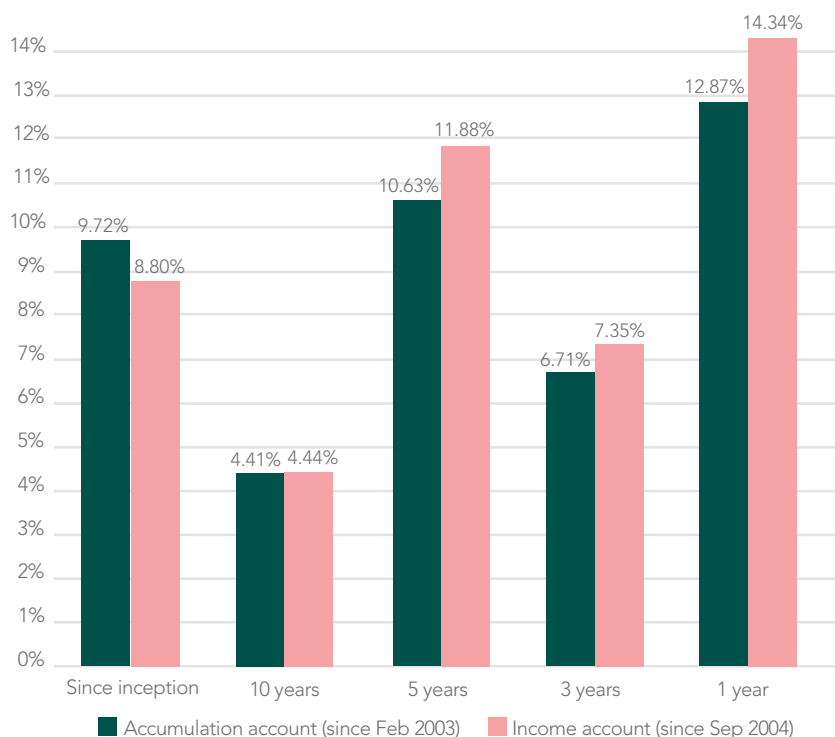
Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns[§]

Period ending 30 June 2017 % p.a.



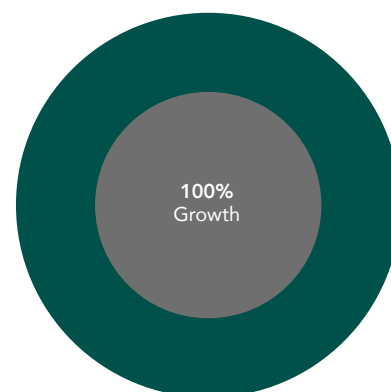
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¶ The Trustee is required by law to set these objectives. They are neither a forecast nor a guarantee of future investment returns. It is anticipated that the CPI objective should be achieved over the long term. However, due to the volatile nature of investment markets and the lack of direct linkage between market returns and inflation, there may be periods when investment returns are not above the objective.

¹ From 1 July 2017 *Transition to retirement* accounts must be invested in an *Accumulation account* investment option where earnings are taxed at up to 15%.

Availability:

- ✓ **Accumulation account**
(including *Transition to retirement* account from 1 July 2017)
- ✓ **Income account**
(including *Transition to retirement* account to 30 June 2017)¹



Risk over each time horizon

5 years	Very high
10 years	Medium
20 years	Low to medium

Investment performance objective is to achieve a net return[¶]: 1% above ASX300 Accumulation Index over rolling ten year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least ten years.

What type of investment is it?

Predominantly invested in companies listed on the Australian Securities Exchange.

Expected frequency of negative return over 20 year period: Approximately six years in 20.

This option may be right for you if

you seek: To maximise long term investment returns through a diversified investment in Australian companies whilst accepting high volatility in returns. It is anticipated that members will invest in this option in combination with other Sector-specific options.

INTERNATIONAL SHARES

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	100%	90 – 100%
International shares	100%	90 – 100%
Defensive	0%	0 – 10%
Cash and Term Deposits	0%	0 – 10%
Foreign currency exposure	100%	0 – 100%

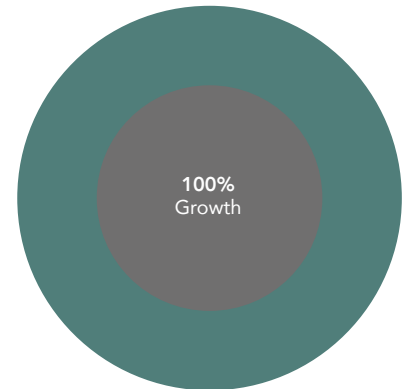
Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

Availability:

- ✓ **Accumulation account**
(including *Transition to retirement account* from 1 July 2017)
- ✓ **Income account**
(including *Transition to retirement account* to 30 June 2017)¹



Recent effective rates of investment returns[§]

Period ending 30 June 2017 % p.a.



Risk over each time horizon

5 years	High
10 years	Medium
20 years	Low to medium

Investment performance objective is to achieve a net return[¶]: 1% above MSCI All Countries World Index (ACWI) in \$A (net dividends) over rolling ten year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least ten years.

What type of investment is it?

Predominantly invested in companies listed on major international stock exchanges.

Expected frequency of negative return over 20 year period: Approximately six years in 20.

This option may be right for you if

you seek: To maximise long term investment returns through a diversified investment in overseas companies. Returns are likely to be very volatile and it is anticipated that members will invest in this option in combination with other Sector-specific options.

[§] This table shows this investment option's annual effective rate of net return (i.e. the actual rate of return net of tax and investment expenses) over the past ten years or for the period which the investment option has been offered if less than ten years. Past performance is not a reliable indicator of future performance.

[¶] The Trustee is required by law to set these objectives. They are neither a forecast nor a guarantee of future investment returns. It is anticipated that the CPI objective should be achieved over the long term. However, due to the volatile nature of investment markets and the lack of direct linkage between market returns and inflation, there may be periods when investment returns are not above the objective.

¹ From 1 July 2017 *Transition to retirement accounts* must be invested in an *Accumulation account* investment option where earnings are taxed at up to 15%.

PROPERTY

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	10%	0 – 30%
Listed property	10%	0 – 30%
Defensive	90%	70 – 100%
Property (direct)	85%	50 – 100%
Cash and Term Deposits	5%	0 – 30%

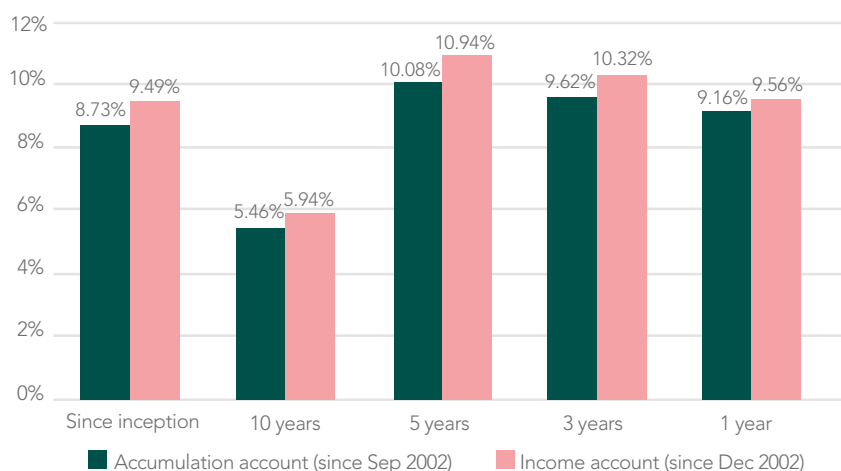
Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns[§]

Period ending 30 June 2017 % p.a.



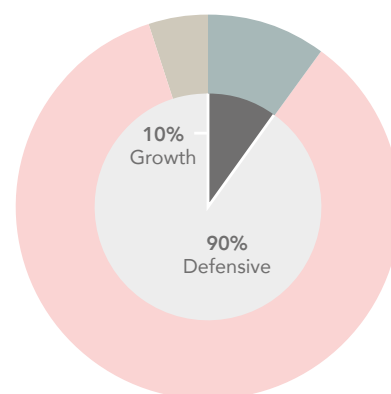
§ This table shows this investment option's annual effective rate of net return (i.e. the actual rate of return net of tax and investment expenses) over the past ten years or for the period which the investment option has been offered if less than ten years. Past performance is not a reliable indicator of future performance.

¶ The Trustee is required by law to set these objectives. They are neither a forecast nor a guarantee of future investment returns. It is anticipated that the CPI objective should be achieved over the long term. However, due to the volatile nature of investment markets and the lack of direct linkage between market returns and inflation, there may be periods when investment returns are not above the objective.

¹ From 1 July 2017 *Transition to retirement* accounts must be invested in an *Accumulation account* investment option where earnings are taxed at up to 15%.

Availability:

- ✓ **Accumulation account**
(including *Transition to retirement account* from 1 July 2017)
- ✓ **Income account**
(including *Transition to retirement account* to 30 June 2017)¹



Risk over each time horizon

5 years	Medium to high
10 years	Medium
20 years	Low to medium
	*Low (for <i>Income accounts</i>)

Investment performance objective is to achieve a net return[¶]: 3.0% above CPI over rolling five year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least ten years before it meets its objectives.

What type of investment is it?

Predominantly invested in Australian property, but with some international exposure. The listed property investments (which can be bought and sold on the share market) can be subject to equity-like returns and risk. The direct property funds are primarily focused on high quality property assets in the retail and industrial sectors, and will have a low correlation to share market returns.

Expected frequency of negative return over 20 year period: Approximately four years in 20.

This option may be right for you if you seek:

To achieve attractive long term investment returns above inflation, whilst accepting some short term volatility. This option is likely to have higher than bonds, lower than equity volatility.

* This standard risk measure in the *Income account* differs from the equivalent investment option in the *Accumulation account* due to differing tax treatment of the *Income account*.

DIVERSIFIED BONDS

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	0%	0 – 0%
Defensive	100%	100%
Fixed interest yield	25%	0 – 100%
Cash and Term Deposits	40%	0 – 100%
Fixed interest duration	35%	0 – 100%
Defensive alternatives	0%	0 – 45%
Foreign currency exposure	0%	0 – 25%

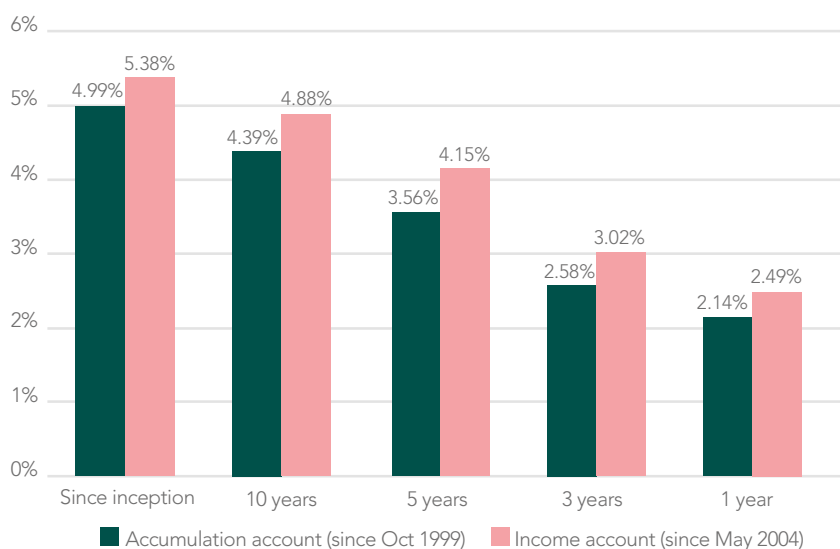
Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns[§]

Period ending 30 June 2017 % p.a.



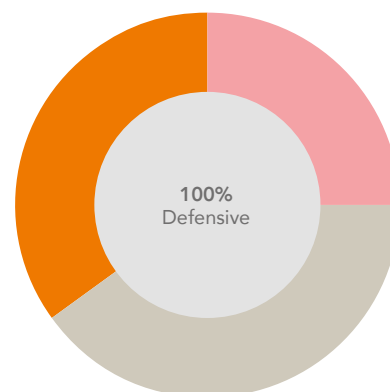
§ This table shows this investment option's annual effective rate of net return (i.e. the actual rate of return net of tax and investment expenses) over the past ten years or for the period which the investment option has been offered if less than ten years. Past performance is not a reliable indicator of future performance.

¶ The Trustee is required by law to set these objectives. They are neither a forecast nor a guarantee of future investment returns. It is anticipated that the CPI objective should be achieved over the long term. However, due to the volatile nature of investment markets and the lack of direct linkage between market returns and inflation, there may be periods when investment returns are not above the objective.

¹ From 1 July 2017 *Transition to retirement* accounts must be invested in an *Accumulation account* investment option where earnings are taxed at up to 15%.

Availability:

- ✓ **Accumulation account**
(including *Transition to retirement account* from 1 July 2017)
- ✓ **Income account**
(including *Transition to retirement account* to 30 June 2017)¹



Risk over each time horizon

5 years	Very low
10 years	Low to medium
	High
20 years	*Medium (for <i>Income accounts</i>)

Investment performance objective is to achieve a net return[¶]: 2.0% above CPI over rolling three year periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least three years before it meets its objectives.

What type of investment is it?

An investment in cash and fixed interest investments, which include securities issued by both Australian and International governments and corporations.

Expected frequency of negative return over 20 year period: Approximately one year in 20.

This option may be right for you if you seek:

To achieve reasonable returns over short to medium time periods and with lower volatility than is typical of equity options. This is suitable if you have low risk tolerances or are seeking higher than cash returns and lower than equity volatility.

* This standard risk measure in the *Income account* differs from the equivalent investment option in the *Accumulation account* due to differing tax treatment of the *Income account*.

CASH AND TERM DEPOSITS

Asset allocation

Long term target allocation

	Strategic asset allocation*	Dynamic allocation range†
Growth	0%	0 – 0%
Defensive	100%	100%
Cash	20%	0 – 100%
Term Deposits	80%	0 – 100%
Foreign currency exposure	0%	0 – 0%

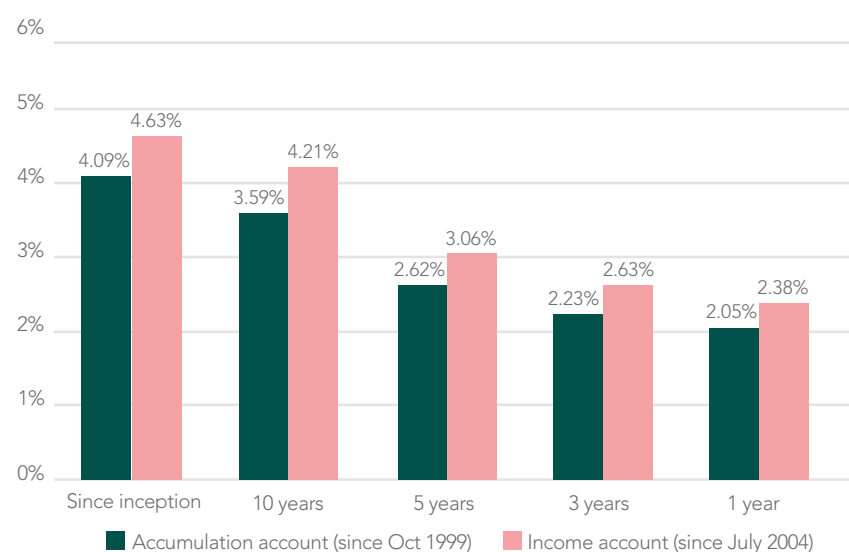
Indicative asset allocation and ranges

* The **strategic asset allocation** is indicative of the expected asset allocation during stable market environments.

† The **dynamic allocation range** is used to respond to changes in the investing environment.

Recent effective rates of investment returns[§]

Period ending 30 June 2017 % p.a.



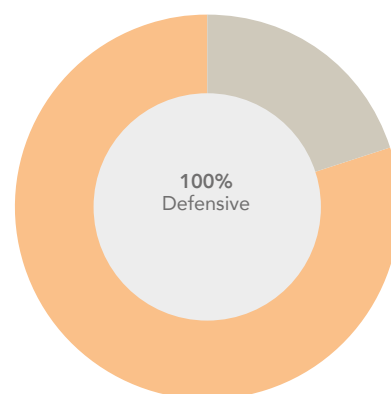
§ This table shows this investment option's annual effective rate of net return (i.e. the actual rate of return net of tax and investment expenses) over the past ten years or for the period which the investment option has been offered if less than ten years. Past performance is not a reliable indicator of future performance.

[¶] The Trustee is required by law to set these objectives. They are neither a forecast nor a guarantee of future investment returns. It is anticipated that the CPI objective should be achieved over the long term. However, due to the volatile nature of investment markets and the lack of direct linkage between market returns and inflation, there may be periods when investment returns are not above the objective.

¹ From 1 July 2017 *Transition to retirement* accounts must be invested in an *Accumulation account* investment option where earnings are taxed at up to 15%.

Availability:

- ✓ **Accumulation account**
(including *Transition to retirement account* from 1 July 2017)
- ✓ **Income account**
(including *Transition to retirement account* to 30 June 2017)¹



Risk over each time horizon

5 years	Very low
10 years	Low *Very low (for <i>Income accounts</i>)
20 years	Medium *Low (for <i>Income accounts</i>)

Investment performance objective is to achieve a net return[¶]: To achieve positive returns in all monthly periods.

Minimum investment timeframe:

Be prepared to stay invested in this option for at least one year before it meets its objectives.

What type of investment is it?

An investment in bank term deposits and at call cash accounts. The aim is to provide a high level of security of the capital value of your investment.

Expected frequency of negative return over 20 year period: Never.

This option may be right for you if

you seek: If you are looking for an investment with a consistent rate of return and high level of security of capital value over short-term periods.

* This standard risk measure in the *Income account* differs from the equivalent investment option in the *Accumulation account* due to differing tax treatment of the *Income account*.



**YOUR
NGS SUPER
INVESTMENT
MANAGERS**

INVESTMENT MANAGERS

Investment Manager	Percentage of total 30 June 2017	Percentage of total 30 June 2016
Adam Smith Asset Management Pty Ltd	1.55%	1.57%
Alcentra Ltd	1.67%	1.67%
Allan Gray Australia Pty Ltd	0.20%	2.14%
AllianceBernstein Investment Management	1.48%	–
AMP Capital Investors Limited	1.05%	1.53%
Amundi Asset Management	1.82%	–
Bank of Australia	0.69%	0.77%
Bank of Queensland	–	0.40%
Bell Asset Management	3.90%	–
Beyond Bank Australia	0.22%	–
Campus Living Villages Pty Ltd	0.50%	0.59%
Charter Hall Limited	–	0.01%
Citi Bank	–	0.01%
ClariVest Asset Management LLC	2.06%	–
Colonial First State Global Asset Management	2.79%	5.29%
Cooper Investors Pty Ltd	5.52%	4.05%
Credit Union Australia Limited	0.25%	0.83%
Fermat Capital Management LLC	0.80%	0.49%
Fife Capital Group Pty Limited	5.39%	3.95%
Gardior Pty Ltd	0.08%	0.09%
Goldman Sachs Asset Management Australia Pty Ltd	3.76%	3.96%
GRIP II PTE. LTD	0.20%	0.04%
Hastings Funds Management Limited	1.14%	1.23%
Henderson Global Investors Australia	0.54%	0.63%
Heritage Bank Limited	0.59%	0.66%
Industry Funds Management Pty Ltd	3.29%	2.09%
Industry Super Holdings Pty Ltd	0.03%	0.02%
Infrastructure Capital Group Limited	0.18%	0.19%
Investa Wholesale Funds Management Limited	1.19%	1.21%
Investor Mutual Limited	4.16%	–
ISPT Pty Ltd	0.01%	0.08%
Janus Capital Group Inc	3.51%	5.70%
Kapstream Capital	1.25%	3.78%
Legg Mason Australia	1.87%	1.31%

Investment managers

Investment Manager	Percentage of total 30 June 2017	Percentage of total 30 June 2016
Lend Lease Investment Management	6.16%	2.44%
Macquarie Investment Management	–	6.87%
Maj Invest	5.07%	–
Member Equity Bank Pty Ltd	0.03%	0.08%
Members Equity Bank Limited	1.40%	1.29%
Morgan Stanley Investment management	3.85%	–
My State Bank Limited	–	0.17%
National Australia Bank Limited	2.07%	1.40%
Newcastle Permanent Building Society Ltd	0.67%	0.56%
Newpin SBB Pty Limited	0.02%	0.01%
NGS Property	0.06%	0.06%
Orbis Investment Advisory Pty Ltd	–	3.81%
Pantheon Ventures Limited	–	–
Paragon Equity Limited	–	0.01%
Perpetual Limited	0.15%	3.42%
Police & Nurses Limited (P&N Bank)	0.44%	0.40%
QIC	0.33%	–
Qiming Venture Partners	1.09%	0.77%
RoC Capital Pty Limited	0.17%	0.26%
Sands Capital Management LLC	–	3.19%
Schroder Investment Management Australia Limited	–	3.32%
Shubh Properties Coöperatief U.A.	0.27%	0.34%
Sigular Guff & Company LLC	0.86%	1.05%
St George Bank	0.44%	–
Stafford Partners Pty Ltd	0.19%	0.21%
Standard Life Investments Ltd	1.89%	–
State Street Australia Limited	0.29%	0.10%
State Street Global Advisers	15.11%	23.15%
Stewart Investors	1.64%	–
Teachers Mutual Bank	0.26%	–
The GPT Group	1.10%	1.14%
UCA Funds Management Limited	0.05%	–
ValueInvest Asset Management	3.52%	–
Vanguard Investments Australia Limited	0.10%	0.68%
Westpac Banking Corporation	1.10%	0.98%
Wilshire International	0.01%	0.01%
Total	100.00%	100.00%

Please note: This is a snapshot of the Fund's investments at 30 June 2017. The investment managers and the percentages invested will change throughout the year.



**NGS SUPER
TRUSTEE
BOARD AND
MANAGEMENT**

THE NGS SUPER TRUSTEE BOARD

YOUR TRUSTEE BOARD AS AT 30 JUNE 2017

NGS Super is run on behalf of its members by a trustee company, NGS Super Pty Limited (ABN 46 003 491 487), which is run by member-appointed and employer-appointed Trustee directors. The Trustee directors represent the interests of all members and are responsible for making decisions on the strategic management of the Fund.

Employer-representative directors



Peter Fogarty
(Deputy Chair)



David Buley



Kathy Dickson



Garry Le Duff



Geoff Newcombe



Georgina Smith

Member-representative directors



Dick Shearman
(Chair)



Cathryn Hickey



Margaret Sansom



Glen Seidel



Gloria Taylor



Christine Wilkinson

PRINCIPAL ORGANISATIONS

NGS Super is sponsored by the Association of Independent Schools (AIS) NSW and SA, the Catholic Hierarchy of New South Wales, the SA Commission for Catholic Schools and the Independent Education Unions (IEU) NSW/ACT, SA and Vic. The principal organisations are responsible for appointing and removing Trustee directors.

The Articles of Association (Constitution) specify the rules that apply to the appointment and removal of Trustee directors. The Trustee's Constitution is available on our website at www.ngssuper.com.au/policies

BOARD OF DIRECTORS

DIRECTOR PROFILES



Dick Shearman
Chair, Member Director
since 3 April 2012

Sponsoring organisation:
NSW/ACT Independent Education Union

Qualifications:
Bachelor of Arts (Hons history),
P/G Certificate Education.

Employment background:
Dick commenced his career as a secondary school teacher, teaching economics and history. Dick spent 23 years as the General Secretary/Treasurer of the Independent Education Union NSW.

**Recent and past directorships/
appointments held:**

- Australian Education Industry Centre (Inc.)
- NGS Financial Services Pty Ltd
- NGS Financial Planning Pty Ltd
- Select Core Property Pty Ltd
- Select Office Pty Ltd.

Board/Committee membership:
Chair of Board and Investment Committee and member of HR, Remuneration and Governance Committee.

Board meeting attendance: 2016/17: 6/6



Peter Fogarty
Deputy Chair, Employer Director
since 31 December 1995

Sponsoring organisation:
Catholic Hierarchy NSW

Qualifications:
Financial and Cost Accounting Certificates,
RG 146 for Superannuation, Fellow Certified
Practising Accountants Australia.

Employment background:
Peter spent 21 years in senior financial management positions in the corporate environment across manufacturing and building industries covering product manufacturing and costing, real estate, lending, property development and home building. In 1982 he joined the non-government education sector as Head of Finance with the Catholic Education Office, Wollongong Diocese system of schools. His duties also included planning and development of schools and provision of ICT for schools and the system. He retired in June 2013.

**Recent and past directorships/
appointments held:**

- Chair NGS Super 1998-1999 and 2007-2012
- Membership of Committees, NSW Catholic Education Commission 1986-2012
- NGS Financial Services Pty Ltd
- NGS Financial Planning Pty Ltd
- Select Core Property Pty Ltd
- Select Office Pty Ltd.

Board/Committee membership:
Deputy Chair of Board and member of the Risk, Audit and Compliance Committee and HR, Remuneration and Governance Committee.

Board meeting attendance: 2016/17: 5/6



David Buley
Employer Director
since 6 December 2005

Sponsoring organisation:
Association of Independent Schools NSW

Qualifications:
Master of Applied Finance and Investment, Master of Business Administration (MBA), Bachelor of Commerce, Fellow Certified Practising Accountants Australia, Fellow Financial Services Institute of Australia (FINSIA), Fellow Australian Institute of Superannuation Trustees (AIST), Graduate, Australian Institute of Company Directors.

Employment background:
After commencing his career with Deloitte, David has over 30 years of professional accounting and business management experience across a diverse range of industries including travel and tourism, arts, education, financial services, not-for-profit, and health and lifestyle. He was appointed to his current role as Chief Financial Officer in 1999 which includes oversight of all financial, investment, and risk management functions as well as being a key member of the executive team. This role also includes administration of the Capital Grants Program on behalf of the Australian and NSW Governments which provides funding for eligible building projects in NSW independent schools. David mentors CPA candidates and presents at CPA Congresses and AIS Leadership events on topics such as financial management and strategy.

**Recent and past directorships/
appointments held:**

- Select Core Property Pty Ltd
- Select Office Pty Ltd.

Board/Committee membership:
Director of the Board and member of the Investment Committee and the Strategy and Innovation Committee.

Board meeting attendance: 2016/17: 6/6



Kathy Dickson
Employer Director
since 17 July 2015

Sponsoring organisation:
Association of Independent Schools NSW

Qualifications:
Bachelor of Commerce, Certificate of Governance and Risk Management. Master of Labour Law and Relations.

Employment background:
Kathy commenced her career in management accounting in the manufacturing industry and joined the non-government school sector as a Finance Manager in a regional school in 1994. Kathy was appointed Bursar at Sydney Church of England Grammar School in 2006 where she is the financial and accounting officer for the school, manages support staff, facilities and ICT strategies and is responsible for risk and compliance. Kathy is Clerk to the School Council and participates in all Council activities.

- Recent and past directorships/ appointments held:**
- Immediate past Chair ASBA Ltd, 2004-2016
 - Director ASBA Ltd
 - Select Core Property Pty Ltd
 - Select Office Pty Ltd.

Board/Committee membership:
Director of Board and member of the Risk, Audit and Compliance Committee.

Board meeting attendance: 2016/17: 5/6



Cathryn Hickey
Member Director
since 17 February 2006

Sponsoring organisation:
Independent Education Union Vic/Tas

Qualifications:
Masters of Education (Education and Social Policy), Bachelor of Arts, Graduate Diploma of Education.

Employment background:
Cathy is currently an Officer of the Independent Education Union Victoria/Tasmania and has worked in that organisation for the last 16 years. Her primary areas of responsibility are as the union's Officer for Education and Policy Analysis and Development and in the provision of advice, support and representation of union members in a variety of industrial areas. Prior to this she was employed in a similar role by the NSW/ACT Independent Education Union for over nine years. Cathy has worked in both NSW and Queensland as a secondary school teacher in non-government schools.

- Recent and past directorships/ appointments held:**
- Director of Independent Association of Registered Teachers VIC (Centre for Strategic Education)
 - Select Core Property Pty Ltd
 - Select Office Pty Ltd.

Board/Committee membership:
Director of Board and member of the Investment Committee.

Board meeting attendance: 2016/17: 4/6



Garry Le Duff
Employer Director
since 1 February 2013

Sponsoring organisation:
Association of Independent Schools SA

Qualifications:
Bachelor of Arts(Hons), Master of Education, Graduate Diploma Education Administration, Diploma of Education, FACE, FACEL.

Employment background:
Garry has worked as a senior manager, program manager, lecturer and teacher. He retired in February 2013 from his role as the Chief Executive Officer of the Association of Independent Schools SA, a position which he held for over 17 years. In this role he advised school boards and school leaders on funding, governance, legislation and regulation, curriculum, school improvements and issues management. In June 2013, Garry was appointed an Adjunct Senior Lecturer (Academic) in the School of Education at Flinders University. He currently conducts a consultancy service in school governance and management.

- Recent and past directorships/ appointments held:**
- Australian Curriculum, Assessment and Reporting Authority
 - Pembroke School Board
 - Chair Pembroke School Governance Committee
 - Education and Early Childhood Services Registration and Standards Board (SA) Advisory Committee for non-Government Schools (SA)
 - Non-Government Schools Registration Board
 - Senior Secondary Assessment Board SA Board
 - Teachers Registration Board SA
 - Select Core Property Pty Ltd
 - Select Office Pty Ltd.

Board/Committee membership:
Director of Board and member of the Risk, Audit and Compliance Committee.

Board meeting attendance: 2016/17: 5/6



Dr Geoff Newcombe AM
Employer Director
since 1 March 2013

Sponsoring organisation:
Association of Independent Schools NSW

Qualifications:
Bachelor of Science, Diploma of Education, Master of Educational Administration, Phd in Financial Management in Education, Graduate Australian Institute of Company Directors.

Employment background:
Dr Geoff Newcombe has held a number of positions in independent schools including, business manager and principal. He joined The Association of Independent Schools in 1998 as Director of School Governance and Industrial Relations. Appointed in 2005, he is currently Executive Director of AIS(NSW). In June 2011 he was appointed Adjunct Associate Professor to the School of Education at the University of NSW.

- Recent and past directorships/ appointments held:**
- Director, AITSL Board
 - Director, NGS Board 1997-2005, Chair 2002-2003
 - NGS Financial Services Pty Ltd
 - NGS Financial Planning Pty Ltd
 - Select Core Property Pty Ltd
 - Select Office Pty Ltd
 - NSW Education Standards Authority (NESA)
 - Dymock's Childrens Charities
 - Study NSW.

Board/Committee membership:
Director of Board and member of the Investment Committee.

Board meeting attendance: 2016/17: 6/6



Margaret Sansom
Member Director
since 13 May 2008

Sponsoring organisation:
Independent Education Union (SA) Inc.

Qualifications:
Certified Teacher, RG 146 (Superannuation).

Employment background:
Margaret has worked in the education industry for 50 years, predominantly as a classroom teacher in the non-government sector. She has been a member of the IEU SA since its inception and was elected to the executive in 1995 and held the position of President/Chair from 2002-2010. She was made a life member in 2012.

- Recent and past directorships/ appointments held:**
- Independent Education Union SA
 - Select Core Property Pty Ltd
 - Select Office Pty Ltd.

Board/Committee membership:
Director of Board, Chair of the Claims Review and Insurance Committee and member of the Strategy and Innovation Committee.

Board meeting attendance: 2016/17: 5/6



Glen Seidel
Member Director
since 1 July 2005

Sponsoring organisation:
Independent Education Union (SA) Inc.

Qualifications:
Bachelor of Science, Diploma of Education, Graduate Diploma Industrial Relations.

Employment background:
Glen was a secondary school teacher for over 25 years. In 2000, he commenced working as a union official and is currently the Secretary of the Independent Education Union SA.

- Recent and past directorships/ appointments held:**
- Director, Independent Schools Superannuation Trust
 - Director, Catholic Church Staff Superannuation Fund
 - NGS Financial Planning Pty Ltd
 - NGS Financial Services Pty Ltd
 - Treasurer, Industrial Relations Society of SA
 - Vice President, Independent Education Union of Australia
 - Select Core Property Pty Ltd
 - Select Office Pty Ltd.

Board/Committee membership:
Director of Board, Chair of Risk, Audit and Compliance Committee and member of the Investment Committee.

Board meeting attendance: 2016/17: 5/6

The NGS Super Board



Georgina Smith
Employer Director
since 1 July 2014

Sponsoring organisation:
SA Commission for Catholic Schools

Qualifications:
Master of Education Studies, Bachelor of Education, Diploma of Teaching, Graduate Diploma of Religious Education, GAIST.

Employment background:
Georgina has worked as Assistant Director, Principal Consultant, School Principal and teacher in Catholic Education SA. She is working currently as an independent consultant supporting sector and school leadership in Catholic Education, South Australia. She has significant experience in leadership recruitment and selection, strategic planning, risk management, human resources and school governance.

- Recent and past directorships/ appointments held:**
- Education and Early Childhood Standards and Registration Board (SA)
 - Senior Secondary Assessment Board (SA)
 - Teachers' Registration Board (SA)
 - Vocational Training and Registration Board (SA)
 - University of South Australia Graduate Advisory Board (SA)
 - National Professional Development Committee
 - Australian Government Quality Teaching Committee
 - Director Mercy Education Ltd
 - Select Core Property Pty Ltd
 - Select Office Pty Ltd.

Board/Committee membership:
Director of Board, member of the Claims Review and Insurance Committee and the Risk, Audit and Compliance Committee.

Board meeting attendance: 2016/17: 5/6



Gloria Taylor
Member Director
since 24 June 2002

Sponsoring organisation:
NSW/ACT Independent Education Union

Qualifications:
Master of Arts, Graduate Diploma (Bus), Graduate Diploma (Inter-ethnic Studies), Bachelor of Education, Certificate of Superannuation Management, RG 146 for Superannuation.

Employment background:
Gloria is currently the Deputy Branch Secretary of the NSW/ACT Independent Education Union Australia (IEUA), where she commenced working in 1988. Gloria has also worked as an Education Advisor in the Catholic Education Office in Sydney and prior to that worked as an advisory teacher and teacher in Melbourne, Tasmania and the USA.

- Recent and past directorships/ appointments held:**
- Elected member of NSW/ACT IEU Executive
 - Elected alternate delegate of IEUA Executive and delegate to IEUA Council
 - Chair NGS Super
 - Select Core Property Pty Ltd
 - Select Office Pty Ltd.

Board/Committee membership:
Director of Board, Chair of HR, Remuneration and Governance Committee and Chair of the Strategy and Innovation Committee.

Board meeting attendance: 2016/17: 5/6



Christine Wilkinson
Member Director
since 1 March 2013

Sponsoring organisation:
NSW/ACT Independent Education Union

Qualifications:
Bachelor of Education, Masters of Educational Studies, Graduate Certificate of Careers Counselling, Cert 4 in Training and Assessment.

Employment background:
Christine commenced her career as a school teacher in 1967 and has taught in primary, secondary and early childhood education throughout New South Wales. She is currently a teacher at St Joseph's Catholic College, East Gosford and holds the position of Careers Advisor and VET Co-ordinator. Christine teaches in the areas of retail services, business services and technology and science. As a member of the Independent Education Union for over 30 years she has been active at all levels of the Union – Chapter representative, Branch President and Secretary, Delegate to Council and member of Federal Council.

- Recent and past directorships/ appointments held:**
- Member of the St Joseph's Catholic College East Gosford School Board
 - Member of the Broken Bay Diocese Women and Equity Committee
 - Member of the Central Coast Careers Teachers Association
 - Deputy President of the NSW/ACT IEU
 - President of the NSW/ACT IEU
 - Delegate to Federal Council of the IEUA
 - Member of the TEAB Board at Sydney University
 - Justice of the Peace
 - Former Director of NGS Board and Alternate Director
 - Select Core Property Pty Ltd
 - Select Office Pty Ltd.

Board/Committee membership:
Director of Board and member of the Claims Review and Insurance Committee and the Strategy and Innovation Committee.

Board meeting attendance: 2016/17: 4/6

REMUNERATION

DIRECTORS

Our remuneration practices reflect our core values, placing our members at the centre of what we do. We also recognise that we need to resource the Fund in order to provide quality benefits and services to members.

Director remuneration consists of Director fees, Board and Committee fees and superannuation guarantee contributions. Director fees reflect the demands and responsibilities of the Directors.

The amounts paid to the Directors for the year ending 30 June 2017 and 2016 are set out below:

Name and position	Appointment date	FY2016/17				FY2015/16			
		Short-term benefits	Post-employment benefits	Total	Paid to	Short-term benefits	Post-employment benefits	Total	Paid to
Dick Shearman (Chair)	03/04/2012	\$83,202.72	\$9,984.33	\$93,187.05	Individual	\$81,973.12	\$9,836.77	\$91,809.90	Individual
Peter Fogarty (Deputy Chair)	31/12/1995	\$58,387.87	\$7,006.54	\$65,394.42	Individual	\$57,525.00	\$6,903.00	\$64,428.00	Individual
David Buley (Director)	06/12/2005	\$43,790.90	\$5,254.91	\$49,045.81	Individual	\$43,143.75	\$5,177.25	\$48,321.00	Individual
Kathy Dickson (Director)	17/07/2015	\$43,790.90	\$5,254.91	\$49,045.81	Individual	\$43,143.75	\$5,177.25	\$48,321.00	Individual
Cathryn Hickey (Director)	17/02/2006	\$48,170.00	–	\$48,170.00	IEU VIC/TAS	\$43,143.75	\$5,177.25	\$48,321.00	IEU VIC/TAS
Garry Le Duff (Director)	01/02/2013	\$43,790.90	\$5,254.91	\$49,045.81	Individual	\$43,143.75	\$5,177.25	\$48,321.00	Individual
Geoff Newcombe (Director)	01/03/2013	\$43,790.90	\$5,254.91	\$49,045.81	Individual	\$43,143.75	\$5,177.25	\$48,321.00	Individual
Margaret Sansom (Director)	13/05/2008	\$54,008.78	\$6,481.05	\$60,489.84	Individual	\$53,210.62	\$6,385.27	\$59,595.90	Individual
Glen Seidel (Director)	01/07/2005	\$56,709.22	\$3,240.53	\$59,949.75	Split 50/50 IEU SA/ Individual	\$53,210.62	\$3,192.64	\$56,403.26	Split 50/50 IEU SA/ Individual
Georgina Smith (Director)	01/07/2014	\$43,790.90	\$5,254.91	\$49,045.81	Individual	\$43,143.75	\$5,177.25	\$48,321.00	Individual
Gloria Taylor (Director)	24/06/2002	\$59,409.66	–	\$59,409.66	IEU NSW/ ACT	\$53,210.62	\$6,385.27	\$59,595.90	IEU NSW/ ACT
Christine Wilkinson (Director)	01/03/2013	\$43,790.90	\$5,254.91	\$49,045.81	Individual	\$43,143.75	\$5,177.25	\$48,321.00	Individual

Short-term benefits include salary and packaging arrangements.

Post-employment benefits include superannuation.

MANAGEMENT

The following staff are responsible for the management of the Trustee company:

Name	Short-term employee benefits		Post-employment benefits		Total		Long term benefits	
	2017	2016	2017	2016	2017	2016	2017	2016
Anthony Rodwell-Ball	\$491,521.05	\$451,009.00	\$34,999.90	\$34,999.90	\$526,520.95	\$486,008.90	\$94,556.00	\$80,168.00
Laura Wright	\$244,719.28	\$238,750.46	\$29,366.22	\$28,650.06	\$274,085.50	\$267,400.52	\$50,952.00	\$44,823.00
Ben Squires	\$277,844.88	\$246,250.00	\$30,000.08	\$26,250.00	\$307,844.96	\$272,500.00	\$54,581.00	\$47,818.00
Kerry Mulley	\$204,899.78	\$199,794.96	\$24,574.68	\$23,975.40	\$229,474.46	\$223,770.36	\$42,845.00	\$37,715.00
Bernard O'Connor	\$130,064.22	\$126,891.96	\$15,607.80	\$15,227.04	\$145,672.02	\$142,119.00	\$13,669.00	\$10,408.00
Dascia Bennett	\$247,637.94	\$239,000.26	\$29,716.55	\$34,999.90	\$277,354.49	\$274,000.16	-\$23,395.50	\$17,037.00
Sub total management	\$1,349,049.21	\$1,501,696.64	\$134,548.68	\$164,102.30	\$1,483,597.89	\$1,665,798.94	\$258,620.00	\$239,985.00

Short-term employee benefits include salary and packaging arrangements.

Post-employment benefits include superannuation.

Long term benefits include long service leave.



Left to right: Ben Facer (since 29 August 2017), Kerry Mulley, Lynn Monk, Anthony Rodwell-Ball (CEO), Laura Wright, Bernard O'Connor, Angie Mastroppolito (since 3 October 2017), Ben Squires

MANAGEMENT TEAM

MANAGEMENT PROFILES



Anthony Rodwell-Ball
Chief Executive Officer

Appointment date: 2008

Qualifications:

MA Comm Law, BA, FCPA, GAICD, F Fin.

Industry career overview:

- CFO, ESSSuper
- General Manager Finance and Risk, Australian Super
- Financial Controller, STA

Anthony is responsible for working with the Board to ensure that the Fund develops and successfully implements the strategic plan that meets the needs of members, employers, stakeholders and staff. Anthony oversees all aspects of the operation of the Fund and his management team are responsible for leading and working together to create and maintain a sustainable Fund.



Laura Wright
Senior Manager, Governance

Appointment date: 2008

Qualifications:

BA, Dip Ed, Dip Lib, RG 146.

Career overview:

- Administration Manager, Superpartners
- Manager Customer Accounts, AAS
- Business Development Manager Industry Funds, AMP
- NSW Manager, Suncorp Advisors and Administrators
- Organiser and Women's Officer, NSW IEU
- Teacher Librarian, Marist Brothers Kogarah
- Non-Executive Trustee Director NGS Super 1988 to 1995

Laura and her team are responsible for overseeing the Fund's governance, in particular – risk and compliance, complaints and insurance claims. She is also responsible for providing services and support to the Board and its Committees.



Ben Squires
Senior Manager, Investments and Finance

Appointment date: 2008

Qualifications:

B Bus (Accounting & Finance), Dip Bus

Career overview:

- Business Analyst, MLC
- Managing Director, building and construction company

Ben and his team are responsible for managing the investment portfolio and meeting all the Fund's financial obligations. This includes managing and reporting on asset valuations and performance, unit pricing, reporting to NGS Super's Board Investment Committee and Audit and Finance Committee. He is also responsible for year-end financial reporting, tax reporting and APRA reporting.

Management team



Kerry Mulley Risk and Compliance Manager

Appointment date: 2008

Qualifications:

B Econ, LLB, Dip SM (ASFA).

Career overview:

- Compliance Manager, Commonwealth Bank
- Compliance Manager, Zurich Australia
- Compliance Manager, Tyndall Australia
- Compliance Manager, Oceanic Life
- Administration Manager, APA Life

Kerry and his team ensure that NGS Super complies with all the license requirements, legislation, regulations and all Fund rules as well as overseeing the compliance, governance and risk management framework. His team provides advice to all business units across the Fund and reviews all communication and marketing material.



Bernard O'Connor Insurance and Complaints Manager

Appointment date: 1999

Qualifications:

BA, Dip Ed, MA, Cert IR Law, Adv Cert Fin Ser (Superannuation), Dip Law.

Career overview:

- Organiser, Independent Education Union
- Executive Member, Independent Education Union
- High School Teacher

Bernard is the Fund's Company Secretary and is responsible for complaint services, working closely with the Claims Review and Insurance Committee. He is also the key contact point for government regulators to ensure the Fund meets their requirements.



Dascia Bennett Executive Manager, Customer

Appointment date: 2014

Qualifications:

BA, GAICD, AGSM-GM, Dip Fin Ser (Financial Planning), CSM.

Career overview:

- Executive Manager, Member and Employer Services, EISS.
- National Business Development Manager, REST Industry Super
- National Manager, Strategic Relations, Members Equity Bank
- National Business Development Manager, ARF Super (now Australian Super)

Dascia and her team of relationship and business development managers are responsible for maintaining and building strong relationships within the independent education, mutual finance and community-focused sectors to implement the growth and retention strategies of the Fund. The Growth and Distribution team services employers, key-stakeholders and members to deliver the Fund's customer value proposition. Dascia's team also facilitates the customer value management process for the Fund to ensure that employers and members receive dedicated service as per the Fund's philosophy and core values.

Employed to: 16 June 2017

Management team



Lynn Monk
Senior Manager, People and Culture

Appointment date: 2015

Qualifications:
Cert HR, Cert WH & S.

Career overview:

- HR Manager, REST Industry Super
- HR Consultant and Advisor, Building and Construction

Lynn and her team are responsible for supporting the CEO as well as developing and leading the strategic and operational people components of the business plan including ongoing culture and transformational change initiatives. She is also responsible to ensure appropriate people and culture strategies are developed and implemented to maintain market viability and attract, retain and develop staff while meeting compliance and legislative requirements.



Darryn Studdert
Manager, Advice

Appointment date: 2016
(Commenced at NGS Super in 2011)

Qualifications:
MFinPlan, DipFP, BA (Econ), CFP®

Career overview:

- Financial Planner, NGS Super
- Financial Planner, Mercer
- Paraplanning Team Leader / Paraplanner, ANZ Bank

Darryn and his team are responsible for providing financial education and personalised financial advice to members of NGS Super. This involves developing the Fund's thinking with respect to engagement and assisting members in preparing for and meeting their needs in retirement. Darryn also helps in assisting the Fund's Customer Relationship Managers who deliver limited single issue advice in the workplace to NGS members, and is responsible for the general education content presented in our seminar program.



Loyce Cox-Paton
Senior Manager, Brand and Digital

Appointment date: 2015

Qualifications:
MA Bus (Marketing), B Econ, Legal Studies.

Career overview:

- Head of Brand and Strategic Marketing, Cuscal
- Head of Professional Services, Cuscal
- Director, LCP Marketing Consulting
- Marketing Manager, Citibank

Loyce and her Brand and Digital team are responsible for managing business strategy, brand marketing, communications, analytics and research for the Fund. Her focus is to understand and listen to customer needs, to develop and communicate Fund values, as well as building and maintaining relationships. In addition to this, the team produces and delivers the Fund's business plan and oversees many of the Fund's strategic projects.

Employed to: 16 June 2017

ABRIDGED FINANCIAL STATEMENTS AS AT 30 JUNE 2017

NGS Super	2017 \$'000	2016 \$'000
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Cash and cash equivalents	13,804	32,934
Receivables	77,689	49,090
Investments	8,130,383	7,190,256
Other Assets	1273	1650
Deferred tax assets	2,857	2,643
TOTAL ASSETS	8,226,006	7,276,573
LESS LIABILITIES		
Creditors and accruals	70,613	53,008
Current tax liabilities	26,604	26,798
Deferred tax liabilities	71,446	42,974
TOTAL LIABILITIES	168,663	122,780
Net assets available for member benefits	8,057,343	7,153,793
LESS MEMBER BENEFITS		
Defined contribution member liabilities	7,900,099	7,005,856
Defined benefit member liabilities	88,200	87,218
TOTAL MEMBER BENEFITS	7,988,299	7,093,074
NET ASSETS	69,044	60,719
EQUITY		
Trustee operating reserve	27,551	18,812
Operational risk reserve	20,715	19,545
DB surplus	14,462	12,733
Unallocated surplus	6,316	9,629
TOTAL EQUITY	69,044	60,719

The above information has been extracted from audited financial statements. A copy of the full audited financial statements may be obtained from the Trustee Office after 31 October 2017.

NGS Super	2017 \$'000	2016 \$'000
INCOME STATEMENT		
INVESTMENT REVENUE		
Interest	567	612
Investment income	308,341	316,663
Net remeasurement changes in assets measured at fair value	530,691	-43,249
Sundry income	1,427	1,141
LESS EXPENSES		
Direct investment expenses	-20,116	-20,543
Administration expenses	-28,776	-27,001
Income tax expense/(benefit)	-48,510	17,827
Net income from superannuation activities	743,624	245,450
ALLOCATED TO MEMBERS BENEFITS		
Net benefits allocated to defined contribution (DC) member accounts	-743,594	-275,756
Net benefits allocated to defined benefit (DB) member liabilities	-8,369	-3,583
TOTAL ALLOCATION TO MEMBER BENEFITS	-751,963	-279,339
OPERATING RESULT AFTER INCOME TAX	-8,339	-33,889

The above information has been extracted from audited financial statements. A copy of the full audited financial statements may be obtained from the Trustee Office after 31 October 2017.

NGS Super	2017 \$'000	2016 \$'000
STATEMENT OF CHANGES IN MEMBER BENEFITS		
Liability for accrued benefits beginning of period	7,093,074	6,673,764
CONTRIBUTION REVENUE		
Employer contributions	448,534	439,666
Member contributions	167,493	106,522
Government co-contributions	530	619
Transfers in	135,036	125,691
Income tax on contributions	-61,217	-59,895
Net after tax contributions	690,376	612,873
BENEFITS PAID		
Rollovers	-293,849	-249,499
Cash benefits paid	-126,087	-109,561
Pensions paid	-83,587	-73,231
Anti-detriment deduction	1,439	963
Net benefits paid	-502,084	-431,328
INSURANCE		
Insurance premiums charged to members' accounts	-48,013	-47,162
Claims credited to members' accounts	19,643	21,148
Net Insurance (cost)/benefit	-28,370	-26,014
INCOME AND EXPENSES		
Investment earnings/(losses) applied to members	743,594	275,756
Net change in defined benefit member accrued benefits	8,369	3,583
Fees paid by members	-16,660	-15,560
Net income/(expenses)	735,303	263,779
Liability for accrued benefits end of period	7,988,299	7,093,074

The above information has been extracted from audited financial statements. A copy of the full audited financial statements may be obtained from the Trustee Office after 31 October 2017.



THINGS YOU NEED TO KNOW

ELIGIBLE ROLLOVER FUND (ERF)

AUSfund is an ERF into which lost members or members with small inactive accounts are transferred. Circumstances where your benefit may be transferred to AUSfund include:

- you have not received any payments into your account for at least 2 years and after making reasonable efforts, we have been unable to contact you for 5 years; or
- you have:
 - a \$0 account balance, and
 - been a member of NGS Super for more than 6 months, and
 - not received any contributions for 6 months.

If your account is transferred to AUSfund, you'll no longer be a member of NGS Super and any insurance cover you had with us will cease. Different fees and costs will also apply to your AUSfund account.

You can contact AUSfund at:

**Locked Bag 5132
Parramatta NSW 2124**
Email: admin@ausfund.net.au
Phone: **1300 361 798** or visit
www.ausfund.com.au

By law, NGS Super must transfer lost super accounts with balances less than \$6,000, or those that are unidentified and have been inactive for more than 12 months, to the Australian Taxation Office (ATO). To find out more, visit www.ato.gov.au.

TEMPORARY RESIDENTS

We are required to pay your super to the ATO if you are a former temporary resident and it has been more than six months since you departed Australia and your visa has expired or been cancelled.

The Trustee relies on relief from ASIC to the effect that it is not obliged to notify or give an exit statement to a non-resident in the above circumstances. Non-residents can apply to the Commissioner of Taxation to claim their unclaimed super under this Act. Visit www.ato.gov.au for more information.

KEEP IN TOUCH

To ensure you receive regular updates on your super, you should notify us if you change your address or your employer. Every year thousands of Australians lose track of the money they have in super because their fund does not have their correct contact details. To update your details:

- log into *Member Online* at www.ngssuper.com.au/login, or
- complete the relevant form at www.ngssuper.com.au/forms.

COMPLAINT AND DISPUTE RESOLUTION

We try to ensure that our level of service meets your expectations. However, sometimes problems occur. If you are dissatisfied with your experience with the Fund, or your NGS Super product, you may make a formal written complaint to the:

**Complaints Officer
NGS Super
PO Box 21236
World Square NSW 2002**

We have in place an internal complaints resolution procedure that will attempt to resolve your complaint in the first instance.

The matter will be investigated by the Trustee's Complaints Officer. You will be advised of the Trustee's decision as soon as possible and within 90 days, or within 30 days of the Trustee's decision, whichever is the earlier.

If the Trustee has not responded to your complaint within 90 days, or you are not satisfied with the Trustee's decision, you may be able to take the matter to the Superannuation Complaints Tribunal (SCT).

You can contact the SCT by telephone on **1300 884 114** or write to them at:

**Locked Mail Bag 3060
Melbourne VIC 3001.**

Please refer to the SCT website at www.sct.gov.au for further information.

A copy of the Fund's detailed enquiries and complaints procedures is available on request from our Customer Service Team on **1300 133 177** or by emailing ngsadminteam@ngssuper.com.au.

TRUSTEE LIABILITY INSURANCE

NGS Super has indemnity insurance to protect the Trustee, its directors and the Fund from the financial effects of any 'honest mistakes' that may occur in the day-to-day management of the Fund.

THE TRUST DEED

The governing rules of NGS Super are contained in the Trust Deed, which is available on the NGS Super website. This document covers issues such as who can join the Fund, how contributions are received and invested, and how benefits are paid. The Trust Deed is the final authority in the event of any inconsistency or uncertainty.

A copy of the NGS Super Trust Deed is available on our website via www.ngssuper.com.au/policies

SERVICE PROVIDERS

The following companies provide services to the Trustee Board to promote and support the efficient management of the Fund.

Administrator

Mercer (Australia) Pty Limited

Investment Consultant

Frontier Investment Advisors

External Auditor

PricewaterhouseCoopers

Internal Auditor

KPMG

Custodians

State Street Australia Limited
The Trust Company Limited
Bond Street Custodians Limited

Insurer

The Colonial Mutual Life Assurance Society Limited t/a Commisure (to 31 May 2017)

TAL (from 1 June 2017)

Professional Liability Insurer

Vero

CONFLICTS MANAGEMENT FRAMEWORK

NGS Super has a conflicts management framework to ensure it identifies and takes all reasonably practicable actions to avoid, or prudently manage all potential and actual conflicts in its business operations. Where there is a conflict, priority must be given to the duties to, and interests of the members of the Fund over the duties to, and interests of other persons.

We ensure that the duties to members are met despite the conflict, and that the interests of the beneficiaries are not adversely affected by the conflict. Conflict management procedures are included as a standard Board or committee agenda item for every meeting. Any identified conflicts are recorded as well as the action taken to avoid or manage the conflict in accordance with our Conflicts Management Framework and Policy. A Register of Relevant Interests and Duties is also maintained on our website. Both these policies are available at www.ngssuper.com.au/policies.

RISK MANAGEMENT FRAMEWORK

The Trustee Board is responsible for the Fund's risk management framework through identifying, assessing, managing, mitigating and monitoring material risks that may affect the Fund's business operations, strategic objectives and its ability to service members. As part of the risk management framework the Board has articulated a risk appetite statement, tolerance and metric for each material risk identified. The risk appetite provides guidelines to the Fund as to acceptable levels of risk in the everyday running of the Fund.

FUND GOVERNANCE FRAMEWORK

NGS Super's governance framework outlines the key elements of oversight as well as decision-making forums such as the Board, its committees and key policies and procedures. The Governance Policy provides guidance to stakeholders on the standards by which NGS Super manages the integrity of the Fund and its operations. The policy is developed in line with industry best practice, with guidance from our regulators.

INVESTMENT GOVERNANCE FRAMEWORK

The investment governance framework documents the systems, structures, policies, processes and people involved in managing the Fund's investments. It incorporates the Fund's investment beliefs and guiding principles. NGS Super's investment policy statement provides details on the investment objectives, strategies and constraints for each investment option available to members.

NGS SUPER DERIVATIVES POLICY

The Trustee has adopted an appropriate risk management strategy that permits investment managers to use futures, options and other derivative instruments to assist with the effective management of the portfolio of assets.

FUND CHANGES FOR 2016/2017

During the 2016/2017 financial year we made a number of changes to the Fund. Members were notified about the changes and you can find more information about each of these changes at www.ngssuper.com.au/sen

NOTES



CONTACT DETAILS

HOW TO CONTACT US

Online: www.ngssuper.com.au/contact-us

Telephone: 1300 133 177

For callers outside Australia:

+61 3 8687 1818

Fax: +61 3 8640 0813

Postal address:

GPO Box 4303

MELBOURNE VIC 3001

NGS FINANCIAL PLANNING

To make an appointment phone us on

1300 133 177 or complete the *financial*

planning enquiry form on our website at

www.ngssuper.com.au/financial-planning.

IMPORTANT INFORMATION

The information in the Annual Trustee Report is of a general nature. It has been prepared without taking into account your particular financial needs, circumstances and objectives. You should assess your own financial situation and read the Product Disclosure Statement relating to the products, and may wish to consult an adviser, before making a financial decision based on this information.

NGS Financial Planning Pty Ltd, ABN 89 134 620 518, is a corporate authorised representative #394909 of Guideway Financial Services Pty Ltd, ABN 46 156 498 538, AFSL# 420367 and offers financial planning services on behalf of NGS Super ABN 73 549 180 515.



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Disclaimer: For further information about the methodology used by Chant West, see www.chantwest.com.au

Chant West has given its consent to the inclusion in this Annual Report of the references to Chant West and the inclusion of the logos and ratings provided by Chant West in the form and context in which they are included.

www.ngssuper.com.au
1300 133 177