



# NGS Super Annual Report 2021–22



# Contents

This Annual Report is a summary of NGS Super's operations and financial position for the 12-month period to 30 June 2022. It has been prepared and issued by NGS Super Pty Limited ABN 46 003 491 487 AFSL No 233 154, the trustee of NGS Super ABN 73 549 180 515.

This Annual Report is available online at [ngssuper.com.au/annualreport](https://ngssuper.com.au/annualreport). Every effort has been made to ensure that the information is correct. Any errors or misprints will be corrected by the trustee in later reports.

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

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# Fund snapshot as at 30 June 2022

**\$13.1 BILLION**  
Net assets under management



**16,772**  
Employers are using NGS Super



**111,634**  
Accumulation and Income account members

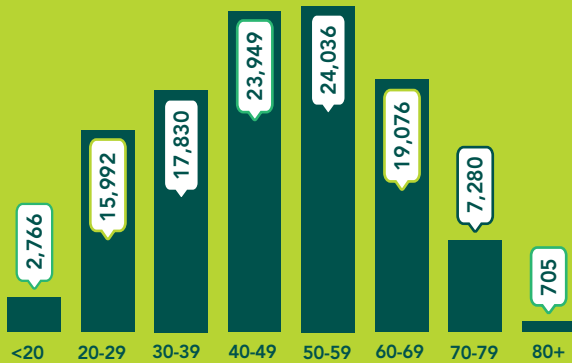


**57%**  
of eligible<sup>^</sup> members are insured

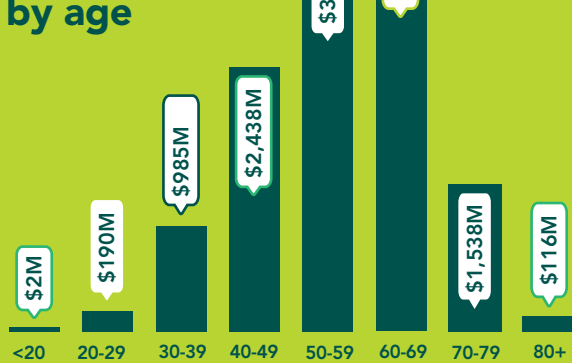


**8.36%**  
of members have sought our advice and education services

## Members by age



## Assets under management by age



<sup>^</sup> Eligible members are defined as being under the age of 75 and are in the accumulation phase.



# Update from the CEO and Chair

The 2021-2022 financial year was again a disruptive time for many of our members in different parts of Australia. While we saw the easing of COVID-19 restrictions and school and office life generally return to normal, flooding had a major impact on schools, homes and families in large parts of NSW and Queensland. Even as we write this update, communities across the eastern states are again facing significant flooding. Our thoughts are with all our members and their families who have been affected. We hope this situation eases soon and we can all once again enjoy easier times.



**Dick Shearman**  
Chair



**Natalie Previtera**  
Acting Chief Executive Officer

### A renewed focus

Following last year's decision not to go ahead with the merger with Australian Catholic Super, the Board came together to scope out the future strategy of the Fund. We felt that this was the perfect time for us to **regroup, reenergise, and reimagine** the way forward. After careful consideration of a range of industry and market data, it was clear the future for NGS Super was to move forward as a niche standalone fund focused on our core market of independent and Catholic schools. The Board held the unanimous view that this strategy would set the Fund up to 'thrive' and this has underpinned the work of the team at NGS this year.

As a niche fund, we are concentrating our energies in the areas where our unique strengths deliver value to our members. We will continue to deliver quality low-cost products and services underpinned by our focus on responsible investing and Environmental, Social and Governance (ESG) principles to deliver on our commitment of a **sustainable** tomorrow for members.

### Our commitment to sustainability

We are committed to the ambitious target we set in 2021 — to be carbon neutral by 2030 (CN2030). We are proud that we were the first super fund to set such a significant goal. This year we moved closer to our interim goal — a 35% carbon reduction by 2025 — and maintained our momentum towards CN2030.

It is important for members to understand that our focus on sustainability does not come at the expense of investment returns. We will always act in the best financial interests of members and work to deliver the best possible returns. But when our research shows that continued investment in companies, managers and sectors that are not willing or able to transition to a low carbon economy poses a threat to future returns — we will make decisions to divest. The extensive research undertaken by our investment team supported the decision we made earlier this year to divest from companies involved in oil and gas exploration and production<sup>1</sup>. This research also supported the decision to bring assets such as precious metals and commodities into the portfolio, contributing to offsetting the short-term opportunity costs presented by excluding oil and gas exploration and production companies. Further to this we have capitalised on opportunities to combat climate change through investments in infrastructure and private equity. The benefits of having a diversified portfolio means we can solve for sources of return in more than one sector.

1. As defined by the Global Industry Classification Standard (GICS®).

# Update from the CEO and Chair

### Delivering in challenging investment markets

This year, tightening monetary conditions coupled with geopolitical tensions saw share markets decline and the cost-of-living increase across the globe. This did have an impact on performance and returns over the past year and indications are that this difficult environment will continue into 2023. In his update on pages 6–7, our Chief Investment Officer, Ben Squires explains what we have been, and are doing to manage these difficult conditions and how we're constructing our portfolios to reduce the impact on performance and member returns.

### Strong and confident future

The Board is confident that we will be the chosen fund for independent and Catholic schools by continuing to deliver personalised service and strong investment returns at a low cost. We are proud of our history and the significant growth we've achieved since our humble beginnings in 1988. At our heart we have always delivered low-cost, high-quality products to our members, and will continue to do so. We are certain that by leveraging our strong foundation and focusing on our unique strengths, our members — whether at the beginning, middle or end of their career or living in retirement — can be prepared for their tomorrow.

### Laura Wright retires

After a 20-year association with NGS Super, Laura Wright announced her retirement as Chief Executive Officer (CEO) of the Fund in July 2022.

Laura was a Director of the Fund for its first 6 years, and Chair in 1993–4. Joining the Fund in 2008, Laura held executive roles in operations and governance before being appointed CEO 4 years ago.

During Laura's tenure, she was involved in 3 mergers — with Cuesuper, UC Super and QIEC Super — which resulted in significant growth for the Fund. While proud of her accomplishments over her career, Laura also credits the Fund's successes to NGS staff, who are dedicated to achieving the best outcomes for members.

The Board and staff at NGS Super thank Laura for her leadership and significant contribution to the Fund over the past 20 years.



**Laura Wright**

### Key milestones for the year

- Passed APRA's MySuper Performance Test
- Returned to face-to-face and onsite appointments with members and employers following the easing of COVID restrictions while continuing to offer online meetings for convenience
- Continued to make super easy for members by holding up to 5 webinars
- Continued to support the introduction of stapling via a strong education and engagement program
- Continued to improve and simplify products, reviewing and updating fees and investment options
- Developed a Retirement Income Policy that ensures an increased focus on members both in and nearing retirement
- Set an interim carbon emissions target — 35% reduction by 2025 and divested from large fossil fuel companies deemed to be at risk of losing value and becoming stranded assets
- Supported teachers, leaders and staff in the education sector through scholarship grants under the NGS Super Scholarship Awards and AIS National Flagship Program.

# Investment update

## 2022 market backdrop

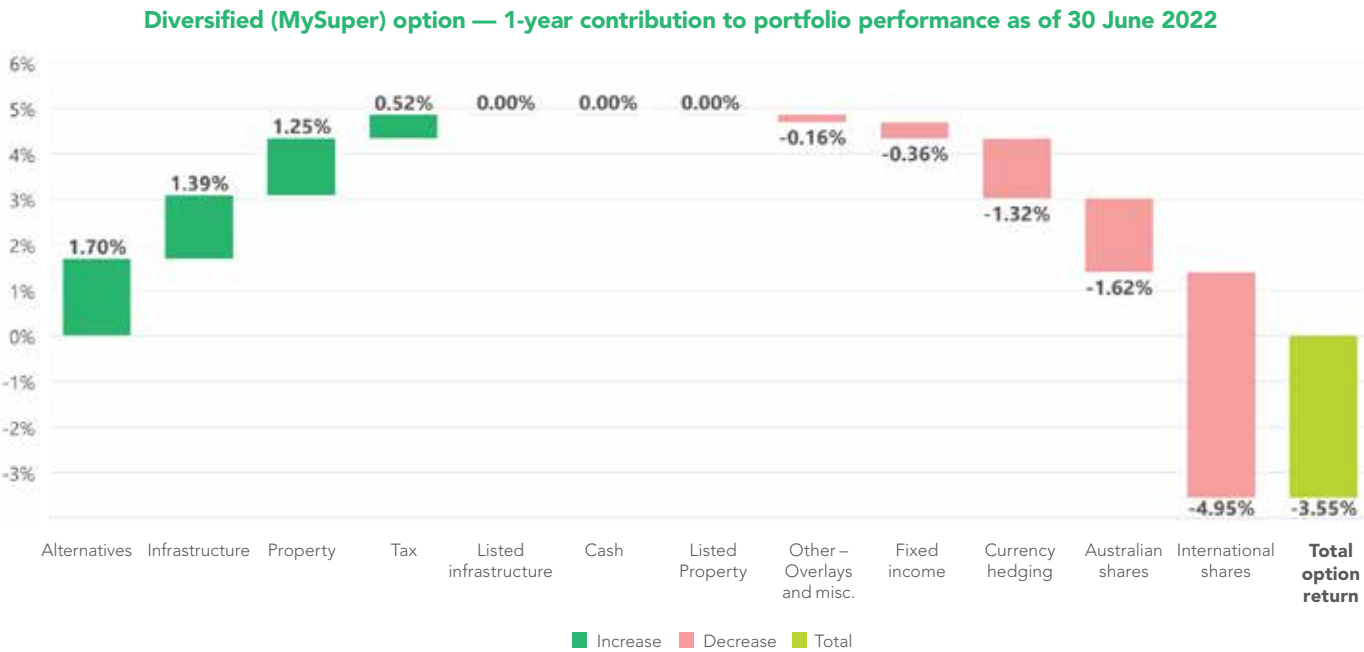
After achieving strong returns in 2021 across every asset class, 2022 saw some of those gains lost as share markets declined — a result of central banks tightening policy to get in front of rising inflation. Central banks across the US, Europe and Australia became hawkish, and the inflation we’re experiencing today has been likened to the period of high US inflation and interest rates experienced in the mid-to-late 1970s. This was a painful period in history — the economy entered a deep recession as central banks raised interest rates to tame inflation, which ultimately led to a depression.

The cost of living increased across all segments of the economy as geopolitical tensions rose and war erupted in the Ukraine. Some of these rising costs were a factor of disrupted supply chains, while much of it was associated with pent-up demand following the Covid lockdown period. The slow drawdown from approximately \$2.5 trillion in savings has dampened the impact on consumers’ cost of living, resulting in economic activity remaining robust over the year. Most companies were able to pass on the higher input costs which supported profit margins. The US and Australian economies continued to expand with historically low levels of unemployment, accompanied by historical high levels of inflation, relative to recent history. In the Northern Hemisphere and throughout Asia, droughts and Russia’s war with Ukraine impacted energy and food production. The second La Niña weather pattern to hit Australia also caused disruption to energy and food production.

## Performance

Only 3 investment options achieved a positive return over the year — the Infrastructure, Property and Cash options — as most other investment options had exposure to listed shares which experienced negative returns. For example, Australian Shares (S&P/ASX 300 Index) was down 6.78%, and global shares (MSCI All Country World Net AUD) was down approximately 8%. Diversified exposure across the Diversified, Defensive, Balanced and High Growth options immunised the portfolio from the worst effects of falling share markets.

The Diversified MySuper option, which has approximately 50% of its investments in listed shares, finished the year with a –3.55% return. While this was a disappointing result given last year’s 17.37% return, it is reasonable, relative to both the market context and when contrasted with the significant decline experienced by investors in self-managed super funds (SMSFs) that primarily own real estate. For example, an SMSF with a loan to valuation ratio of 70% and declines in real estate valuations of approximately 6.5% would have generated a –21.00% return from its real estate assets alone. The following table shows the contribution to overall portfolio performance over the 12-month period. The primary positive contributions came from infrastructure real estate and private equity, while international and Australian shares made a negative contribution to the portfolio.



# Investment update

## Activities over the year

Over the year, the Fund maintained a neutral position to growth assets (share markets) in recognition that many risks persisted in the global economy. Several strategic reviews were undertaken, led by a restructure of the international and Australian share sector, and the closure of the Shares Plus, Socially Responsible Diversified and Moderate Growth options. The Fund continued to find attractive opportunities in the private market space, adding to the property, infrastructure, credit and private equity sectors. The foreign currency policy was amended to increase the exposure to more safe-haven currencies like the USD, and this has come at the expense of lower currency exposures to emerging markets and other developed markets. The Fund also continued to decarbonise the portfolio with a focus on identifying assets at risk of becoming stranded in the future. This work led to the divestment of several oil and gas companies that have no viable path to transition their businesses away from fossil fuels. The Fund also reduced its exposure to catastrophe bonds in recognition that extreme weather events may lead to greater losses in this asset class in the future.

## The future outlook

There are many risks on the horizon which will be challenging to navigate and are likely to result in continued share market volatility. Central bank policy will continue to have the largest influence on markets and the economy. Indicators for business and consumer sentiment are also negative on future prospects and are yet to show any signs of reversing. They are only likely to do so once we experience reduced economic growth, increased unemployment and, ultimately, the bottom point of recession. Some of the major Australian banks are forecasting double-digit falls in domestic real estate in 2023, which will reinforce the negative consumer sentiment and slower economic activity.

Our expectation is that 2023 will continue to be difficult, and the portfolio will remain more defensively positioned. However, turning points in markets are extremely difficult to time, so the Fund will continue to seek out good quality businesses that have resilient cash-flows and can be purchased at a discount. Taking a longer-term approach, the portfolio is well diversified to reduce the worst impacts of negative markets that may lie ahead in the short term and recover strongly as conditions improve.



**Ben Squires**  
Chief Investment Officer

# How we manage your money

A custodian holds and safeguards the Fund’s investments, and monitors changes in their value (as required by regulation).

The custodian calculates the Fund’s unit prices daily, which reflect changes to the value of underlying investments for each option.

It then provides the unit prices to your account administrator, who multiplies the number of units in your account by the current unit price to update your account balance. That is:

Your account balance =

number of units x current unit price

In other words, investment market movements and valuations are translated to your account balance.

The investment returns given in this report represent the return after investment management fees, asset fees and taxes. You would have received these returns if you had invested in a particular option for the full 12 months to 30 June 2022. The return on any contributions you made during the year would be equal to the change in the unit price *only* between the time the contributions went into 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 unit prices of each option for the period you were invested.

## Your NGS Super Accumulation account

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

The money in your account is then invested according to the investment option(s) you’ve chosen or our default option — Diversified (MySuper) — if you haven’t selected your option(s). Each time we receive a contribution for you, we allocate units to your account at the relevant unit price, so your account balance increases or decreases according to the combined 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.

You can view the daily unit price for each investment option at [ngssuper.com.au/performance](https://ngssuper.com.au/performance)

## Earnings on investment options

An *NGS Income account* provides the benefit of tax-free investment earnings (as it is in the *retirement phase*), while the *NGS Accumulation account* and *NGS Transition to retirement (TTR) account* both have earnings taxed at up to 15%. As a result, the investment returns shown on pages 11 to 16 for the *NGS Income account* will differ from the *NGS Accumulation and TTR account* returns.

Where investment returns are positive, earnings on the *NGS Income account* will generally be higher than earnings on the equivalent investment option for the *NGS Accumulation account* and *TTR account*, as no tax is deducted from the gross earnings on the *NGS Income account*.

# How we manage your money

## Fees and costs

The fees and costs listed below represent the actual costs for 2021–22 for each investment option.

Information on fees and costs can be found in our fact sheet **Fees, costs and tax** available at [ngssuper.com.au/PDS](https://ngssuper.com.au/PDS)

### Accumulation and Transition to retirement account members

Investment option	Investment Fees and costs	Performance Fee	Transactions costs
PRE-MIXED	Diversified (MySuper)	0.68%	0.08%
	High Growth	0.71%	0.13%
	Balanced	0.59%	0.08%
	Defensive	0.56%	0.05%
	Socially Responsible Diversified*	0.65%	0.04%
	Indexed Growth	0.02%	0.00%
	Shares Plus*	0.46%	0.02%
SECTOR-SPECIFIC	Australian Shares	0.45%	0.05%
	International Shares	0.53%	0.00%
	Infrastructure	0.45%	0.15%
	Property	0.57%	0.00%
	Diversified Bonds	0.53%	0.01%
	Cash and Term Deposits	0.01%	0.00%

### Income account members

Investment option	Investment Fees and costs	Performance Fee	Transactions costs
PRE-MIXED	Moderate Growth*	0.51%	0.06%
	Diversified	0.67%	0.08%
	High Growth	0.71%	0.13%
	Balanced	0.58%	0.08%
	Defensive	0.56%	0.05%
	Socially Responsible Diversified*	0.65%	0.04%
	Indexed Growth	0.02%	0.00%
SECTOR-SPECIFIC	Retire Plus	0.63%	0.10%
	Shares Plus*	0.45%	0.02%
	Australian Shares	0.44%	0.05%
	International Shares	0.54%	0.00%
	Infrastructure	0.46%	0.15%
	Property	0.58%	0.00%
	Diversified Bonds	0.53%	0.01%
	Cash and Term Deposits	0.01%	0.00%

\* Please note the fee is for 11 months from 1 July 2021 to 31 May 2022





# Our investment options

## Investment options at 30 June 2022 — Asset allocation and investment performance

### Diversified (Mysuper)



#### Strategic asset allocation

Australian shares	23%
International shares	27%
Listed infrastructure	0%
Infrastructure	10%
Alternatives	10%
Listed property	0%
Property	9%
Fixed income	15%
Cash	6%

**Total growth assets** 69.3%

**Total defensive assets** 30.7%

Foreign currency exposure 13.5%

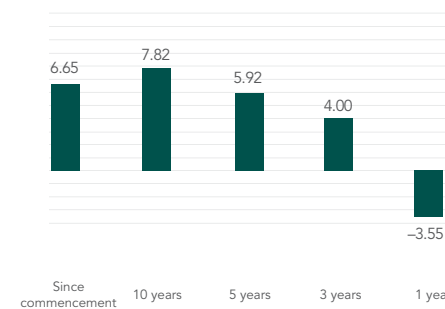
#### Investment performance objective

To achieve a net return 3% above CPI p.a. over rolling 10-year periods.

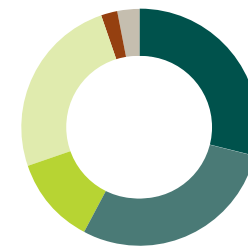
#### Minimum investment timeframe

Be prepared to stay invested in this option for at least 10 years before it meets its objectives.

#### Returns to 30 June 2022 % p.a.



### High Growth



#### Strategic asset allocation

Australian shares	28.9%
International shares	29%
Listed infrastructure	0%
Infrastructure	11.9%
Alternatives	25%
Listed property	0%
Property	0%
Fixed income	2.2%
Cash	3%

**Total growth assets** 79.3%

**Total defensive assets** 20.7%

Foreign currency exposure 14.5%

#### Investment performance objective

To achieve a net return 4% above CPI p.a. over rolling 10-year periods.

#### Minimum investment timeframe

Be prepared to stay invested in this option for at least 10 years before it meets its objectives.

#### Returns to 30 June 2022 % p.a.



### Balanced



#### Strategic asset allocation

Australian shares	16.5%
International shares	19.5%
Listed infrastructure	0%
Infrastructure	10%
Alternatives	6%
Listed property	0%
Property	10%
Fixed income	18%
Cash	20%

**Total growth assets** 54%

**Total defensive assets** 46%

Foreign currency exposure 9.8%

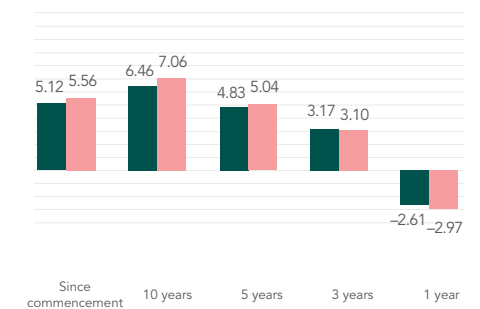
#### Investment performance objective

To achieve a net return 2% above CPI p.a. over rolling 3-year periods.

#### Minimum investment timeframe

Be prepared to stay invested in this option for at least 7 years before it meets its objectives.

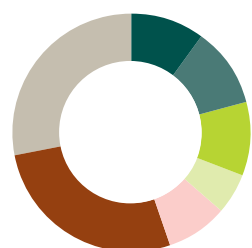
#### Returns to 30 June 2022 % p.a.



Key: ■ Accumulation and Transition to retirement accounts ■ Income account

## Investment options at 30 June 2022 — Asset allocation and investment performance

### Defensive



#### Strategic asset allocation

Australian shares	10%
International shares	11%
Listed infrastructure	0%
Infrastructure	10%
Alternatives	5.4%
Listed property	0%
Property	8.5%
Fixed income	27.1%
Cash	28%
<b>Total growth assets</b>	<b>37.6%</b>
<b>Total defensive assets</b>	<b>62.4%</b>
Foreign currency exposure	5.5%

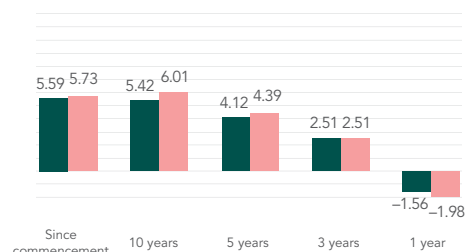
#### Investment performance objective

To achieve a net return 1% above CPI p.a. over rolling 3-year periods.

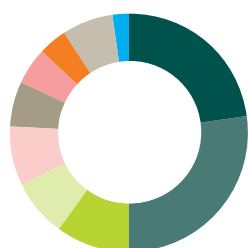
#### Minimum investment timeframe

Be prepared to stay invested in this option for at least 5 years before it meets its objectives.

#### Returns to 30 June 2022 % p.a.



### Socially Responsible Diversified\*



#### Strategic asset allocation

Australian shares	23%
International shares	27%
Infrastructure	10%
Growth alternatives	8%
Property	8%
Bond alternatives	6%
Corporate bonds	5%
Government bonds	4%
Cash	7%
Social impact bonds	2%
<b>Total growth assets</b>	<b>70%</b>
<b>Total defensive assets</b>	<b>30%</b>
Foreign currency exposure	15%

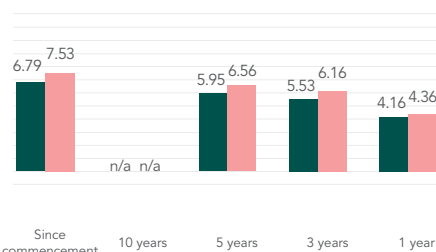
#### Investment performance objective

To achieve a net return 3% above CPI p.a. over rolling 10-year periods.

#### Minimum investment timeframe

Be prepared to stay invested in this option for at least 10 years before it meets its objectives.

#### Returns to 31 May 2022 % p.a.

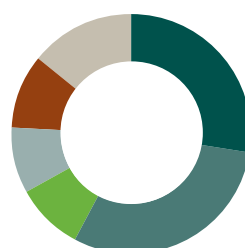


\* This option closed on 31 May 2022 and is no longer available.

Key: ■ Accumulation and Transition to retirement accounts ■ Income account

## Investment options at 30 June 2022 — Asset allocation and investment performance

### Indexed Growth



#### Strategic asset allocation

Australian shares	27.5%
International shares	30.5%
Listed infrastructure	9%
Infrastructure	0%
Alternatives	0%
Listed property	9%
Fixed income	10%
Cash	14%
<b>Total growth assets</b>	<b>76%</b>
<b>Total defensive assets</b>	<b>24%</b>
Foreign currency exposure	15.3%

#### Investment performance objective

To achieve a net return 3% above CPI p.a. over rolling 10-year periods.

#### Minimum investment timeframe

Be prepared to stay invested in this option for at least 10 years before it meets its objectives.

#### Returns to 30 June 2022 % p.a.



Key: ■ Accumulation and Transition to retirement accounts ■ Income account

### Shares Plus\*



#### Strategic asset allocation

Australian shares	45.5%
International shares	53.5%
Growth alternatives	0%
Cash and term deposits	1%
<b>Total growth assets</b>	<b>99%</b>
<b>Total defensive assets</b>	<b>1%</b>
Foreign currency exposure	20%

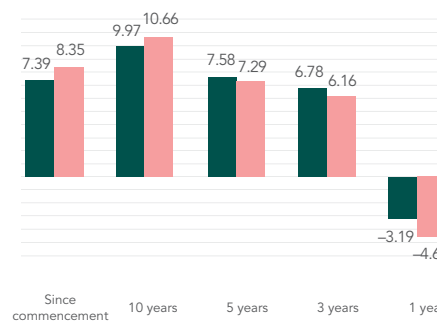
#### Investment performance objective

To achieve a net return 4% above CPI p.a. over rolling 10-year periods.

#### Minimum investment timeframe

Be prepared to stay invested in this option for at least 10 years before it meets its objectives.

#### Returns to 31 May 2022 % p.a.



\* This option closed on 31 May 2022 and is no longer available.

## Investment options at 30 June 2022 — Asset allocation and investment performance

### Moderate Growth\*



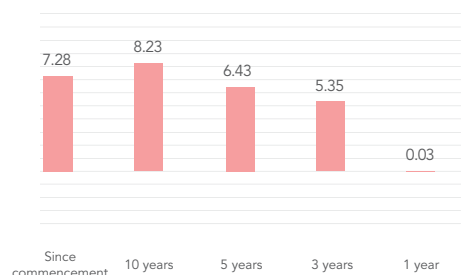
#### Strategic asset allocation

Australian shares	22%
International shares	26%
Infrastructure	10%
Growth alternatives	5%
Property	9%
Bond alternatives	5%
Corporate bonds	7%
Government bonds	5.5%
Cash	10.5%
<b>Total growth assets</b>	<b>65%</b>
<b>Total defensive assets</b>	<b>35%</b>
Foreign currency exposure	14%

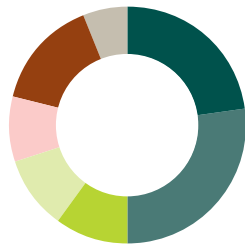
**Investment performance objective**  
To achieve a net return 3% above CPI p.a. over rolling 5-year periods.

**Minimum investment timeframe**  
Be prepared to stay invested in this option for at least 10 years before it meets its objectives.

#### Returns to 31 May 2022 % p.a.



### Diversified



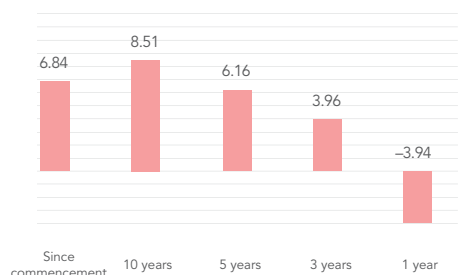
#### Strategic asset allocation

Australian shares	23%
International shares	27%
Listed infrastructure	0%
Infrastructure	10%
Alternatives	10%
Listed property	0%
Property	9%
Fixed income	15%
Cash	6%
<b>Total growth assets</b>	<b>69.3%</b>
<b>Total defensive assets</b>	<b>30.7%</b>
Foreign currency exposure	13.5%

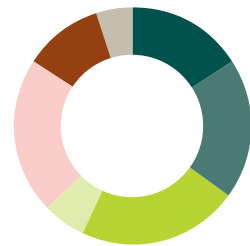
**Investment performance objective**  
To achieve a net return 3% above CPI p.a. over rolling 10-year periods.

**Minimum investment timeframe**  
Be prepared to stay invested in this option for at least 10 years before it meets its objectives.

#### Returns to 30 June 2022 % p.a.



### Retire Plus



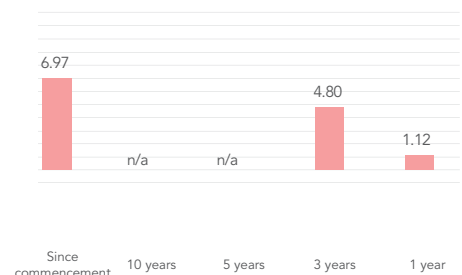
#### Strategic asset allocation

Australian shares	16%
International shares	19%
Listed infrastructure	0%
Infrastructure	22%
Alternatives	5.8%
Listed property	0%
Property	21.5%
Fixed income	10.7%
Cash	5%
<b>Total growth assets</b>	<b>70.5%</b>
<b>Total defensive assets</b>	<b>29.5%</b>
Foreign currency exposure	9.5%

**Investment performance objective**  
To achieve a net return 4% above CPI p.a. over rolling 10-year periods.

**Minimum investment timeframe**  
Be prepared to stay invested in this option for at least 5 to 7 years before it meets its objectives.

#### Returns to 30 June 2022 % p.a.



\* This option closed on 31 May 2022 and is no longer available.

Key: ■ Accumulation and Transition to retirement accounts ■ Income account

## Investment options at 30 June 2022 — Asset allocation and investment performance

### Australian Shares



#### Strategic asset allocation

Australian shares	100%
Cash	0%
<b>Total growth assets</b>	<b>100%</b>
<b>Total defensive assets</b>	<b>0%</b>
Foreign currency exposure	0%

**Investment performance objective**  
Outperform S&P/ASX300 Accumulation Index (adj. for franking credits, net of implied superannuation tax) over the medium to long term.

**Minimum investment timeframe**  
Be prepared to stay invested in this option for at least 10 years before it meets its objectives.

#### Returns to 30 June 2022 % p.a.



### International Shares



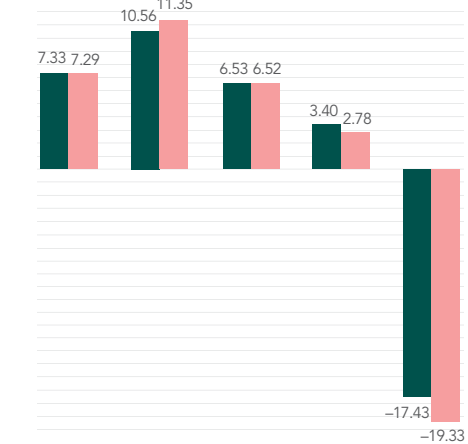
#### Strategic asset allocation

International shares	100%
Cash	0%
<b>Total growth assets</b>	<b>100%</b>
<b>Total defensive assets</b>	<b>0%</b>
Foreign currency exposure	50%

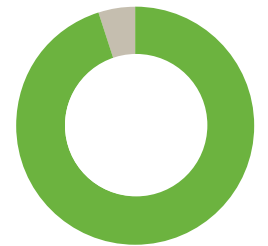
**Investment performance objective**  
Outperform MSCI ACWI ex Aust Index (in AUD, net of implied superannuation tax) over the medium to long term.

**Minimum investment timeframe**  
Be prepared to stay invested in this option for at least 10 years before it meets its objectives.

#### Returns to 30 June 2022 % p.a.



### Infrastructure



#### Strategic asset allocation

Listed infrastructure	95%
Cash	5%
<b>Total growth assets</b>	<b>95%</b>
<b>Total defensive assets</b>	<b>5%</b>
Foreign currency exposure	95%

**Investment performance objective**  
To match the FTSE Developed Core Infrastructure 50/50 Net Total Return Index in AUD (unhedged) over the medium to long term.

**Minimum investment timeframe**  
Be prepared to stay invested in this option for at least 10 years before it meets its objectives.

#### Returns to 30 June 2022 % p.a.

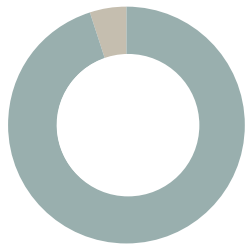


Key: ■ Accumulation and Transition to retirement accounts ■ Income account



# Investment options at 30 June 2022 — Asset allocation and investment performance

## Property



### Strategic asset allocation

Listed property	95%
Cash	5%
<b>Total growth assets</b>	<b>95%</b>
<b>Total defensive assets</b>	<b>5%</b>
Foreign currency exposure	95%

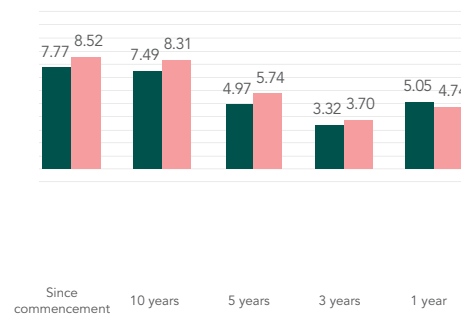
### Investment performance objective

To match the FTSE EPRA/NAREIT Developed Net Total Return Index AUD (unhedged) over the medium to long term.

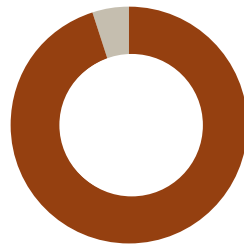
### Minimum investment timeframe

Be prepared to stay invested in this option for at least 10 years before it meets its objectives.

### Returns to 30 June 2022 % p.a.



## Diversified Bonds



### Strategic asset allocation

Fixed income	95%
Cash	5%
<b>Total growth assets</b>	<b>0%</b>
<b>Total defensive assets</b>	<b>100%</b>
Foreign currency exposure	0%

### Investment performance objective

To match the J.P. Morgan Government Bond Index Global (hedged to AUD) over the medium to long term.

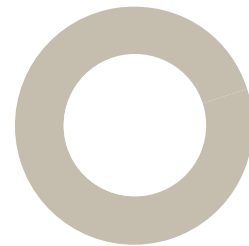
### Minimum investment timeframe

Be prepared to stay invested in this option for at least 3 years before it meets its objectives.

### Returns to 30 June 2022 % p.a.



## Cash And Term Deposits



### Strategic asset allocation

Cash	100%
<b>Total growth assets</b>	<b>0%</b>
<b>Total defensive assets</b>	<b>100%</b>
Foreign currency exposure	0%

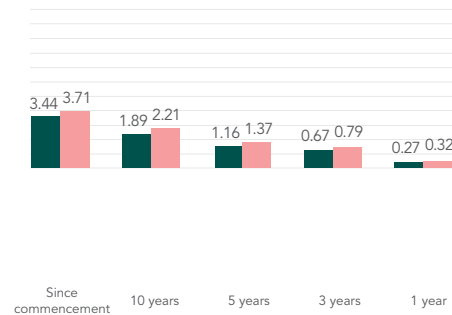
### Investment performance objective

To achieve a net return that matches or exceeds the RBA cash rate.

### Minimum investment timeframe

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

### Returns to 30 June 2022 % p.a.



Key: ■ Accumulation and Transition to retirement accounts ■ Income account

# Investment managers at 30 June 2022

The following table details the names of the investment managers appointed by NGS Super as at 30 June 2022.

abrdn Australia Ltd	Kapstream Capital Pty Limited
Adamantem Capital Management Pty Ltd	Lendlease Funds Management Limited
Alceon Group Pty Limited	Lennox Capital Partners Pty Limited
Allan Gray Australia Pty Limited	LGT Capital Partners
Allegro Funds Pty Ltd	
Alliancebernstein Investment Management Australia Limited	Macquarie Investment Management Ltd
Altius Asset Management Pty Ltd	Madison Realty Capital
American Century Investment Management Inc.	Main Sequence Ventures
AMP Capital Investors Limited	Maj Invest Asset Management
Amundi Asset Management Australia Limited	Mesirow Financial Investment Management, Inc
Antipodes Partners Limited	Monroe Capital
Ardian France S.A.	Morgan Stanley Investment Management (Australia) Pty Limited
Audax Private Equity	Morrison & Co Utilities Management (Australia) Pty Ltd
Baring Asia Private Equity	Newbury Partners LLC
Bell Asset Management Limited	Neuberger Berman Australia Ltd
Blackbird Ventures Pty Limited	
Brandywine Global Investment Management, LLC	Oaktree Capital Management, L.P.
Bridgepoint Advisers Limited	
	Pantheon Investments LLC
Campus Living Villages Pty Limited	Peak Rock Capital LLC
Challenger Investment Solutions Management Pty Limited	Pimco Australia Pty Limited
Climate Adaptive Infrastructure LLC	Potentia Capital Management Pty Ltd
Continuity Capital Partners Pty Limited	Prima Mortgage Investment Trust LLC
Copenhagen Infrastructure Partners	
	QIC Limited
EQT Fund Management	Qiming Venture Partners
Ethical Partners Funds Management Pty Limited	
	Resolution Life Group Holdings L.P.
Fermat Capital Management LLC	Roc Capital Pty Limited
Fife Capital Group Pty Limited	Russell Investment Management Limited
Firetrail Investments Pty Limited	
First Sentier Investors (Australia) IM Limited	Shubh Property
	Siguler Guff
Gardior Pty Ltd	Social Ventures Australia Limited
General Atlantic Investment Partners	Solaris Investment Management Limited
Global Evolution Fondsmæglerselskab A/S	Stafford Capital Partners
Godrej Fund Management Pte. Ltd	State Street Global Advisors Australia Limited
GPT Fund Management Limited	Stillbrook Capital Limited
Graham Capital Management, L.P.	Stride Consumer Partners
Harbourvest Partners LLC	UBS Securities Australia Limited
Hull Street Energy, LLC	
Hyperion Asset Management Limited	Valueinvest Asset Management
	Vinva Investment Management Limited
IFM Investors Pty Ltd	
Industry Super Holdings Pty Ltd	Wilshire Investments LLC
Invesco Australia Limited	
	Yarra Funds Management Limited



# Our Trustee Board

## The NGS Super Trustee Board

### Trustee Board as at 30 June 2022

NGS Super is governed on behalf of its members by a corporate trustee, **NGS Super Pty Limited (ABN 46 003 491 487)**, which is structured on a model of equal representation by employer and member Trustee Directors. The Trustee Directors represent the interests of all members and are responsible for making decisions on the strategic management of the Fund. Further information about the Trustee Directors is available on our website at [ngssuper.com.au/policies](https://ngssuper.com.au/policies) under the **Trustee tab**.

### Member Representatives



**Dick Shearman (Chair)**  
Appointed by the  
NSW/ACT IEU



**Patrick Anderson**  
Appointed by the  
IEU SA



**David Brear**  
Appointed by the  
IEU Vic/Tas



**Terry Burke**  
Appointed by the  
IEU Qld/NT



**John Quessy**  
Appointed by the  
NSW/ACT IEU



**Christine Wilkinson**  
Appointed by the  
NSW/ACT IEU

The composition of the Board is determined by the Constitution of the Trustee, which outlines the power of:

- the shareholders and
- appointing entities

to appoint and remove Trustee directors to the Board. The Trustee's Constitution is available on our website at [ngssuper.com.au/policies](https://ngssuper.com.au/policies) under the **Governance tab**.

### Employer Representatives



**Geoff Newcombe  
(Deputy Chair)**  
Appointed by the AIS NSW



**Michelene Collopy**  
Appointed by the Roman  
Catholic Province of Sydney



**Kathy Dickson**  
Appointed by the  
AIS NSW



**Deborah Ponting**  
Appointed by CMS



**Georgina Smith**  
Appointed by the SA Commission  
for Catholic Schools



**Wendy Wills**  
Appointed by the  
AIS SA



# Abridged financial statements 2022

## Statement of financial position

	30/06/2022 \$'000	30/06/2021 \$'000
<b>Assets</b>		
Cash and cash equivalents*	550,538	465,172
Receivables	169,300	134,171
Investments*	12,670,864	13,385,118
Other assets	4,242	4,277
<b>Total assets</b>	<b>13,394,944</b>	<b>13,988,738</b>
<b>Liabilities</b>		
Creditors and accruals	237,264	168,713
Current tax liabilities	14,146	60,013
Deferred tax liabilities	79,080	210,171
<b>Total liabilities</b>	<b>330,490</b>	<b>438,897</b>
<b>Net assets available for member benefits</b>	<b>13,064,454</b>	<b>13,549,841</b>
<b>Member benefits</b>		
Defined contribution member liabilities	12,909,997	13,275,481
Defined benefit member liabilities	67,981	79,703
<b>Total member benefits</b>	<b>12,977,978</b>	<b>13,355,184</b>
<b>Net assets</b>	<b>86,476</b>	<b>194,657</b>
<b>Equity</b>		
Trustee operating reserve	27,827	36,254
Operational risk reserve	37,703	39,092
Defined benefit surplus	22,084	13,723
Unallocated surplus	(1,138)	105,588
<b>Total equity</b>	<b>86,476</b>	<b>194,657</b>

\* Cash held by investment managers as part of the investment mandate was reported as "Investments" in FY2021. From FY2022 this has now been classified as "restricted cash" and reported as part of "Cash". There is no impact to assets overall. The prior year figures have been similarly adjusted for comparability.

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.

# Abridged financial statements 2022

## Income statement

	30/06/2022 \$'000	30/06/2021 \$'000
<b>Revenue from superannuation activities</b>		
Interest	35	58
Investment income	437,285	322,152
Net gains/(losses) on assets measured at fair value	(1,073,177)	1,895,370
Sundry income	1,546	1,820
<b>Total superannuation activities revenue</b>	<b>(634,311)</b>	<b>2,219,400</b>
<b>Expenses</b>		
Direct investment expenses	(54,400)	(47,019)
Indirect investment expenses	(8,402)	(6,076)
Administration expenses	(36,431)	(28,172)
Other expenses	(1,273)	(1,324)
<b>Total expenses</b>	<b>(100,506)</b>	<b>(82,591)</b>
<b>Results from superannuation activities</b>		
Before income tax	(734,817)	2,136,809
Income tax (expense)/benefit	125,589	(173,276)
<b>Results from superannuation activities after income tax</b>	<b>(609,228)</b>	<b>1,963,533</b>
<b>Allocation to member benefits</b>		
Net benefits allocated to defined contribution (DC) member accounts	455,106	(1,887,265)
Net benefits allocated to defined benefit (DB) member liabilities	11,722	(15,539)
<b>Total allocation to member benefits</b>	<b>466,828</b>	<b>(1,902,804)</b>
<b>Net operating result</b>	<b>(142,400)</b>	<b>60,729</b>

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.

## Abridged financial statements 2022

### Statement of changes in members' benefits

	30/06/2022 \$'000	30/06/2021 \$'000
<b>Liability for accrued benefits beginning of period</b>	<b>13,355,184</b>	<b>11,362,669</b>
<b>Contribution revenue</b>		
Employer contributions	598,516	567,914
Member contributions	207,974	168,999
Government co-contributions	650	673
Transfers in	260,500	184,215
Income tax on contributions	(96,048)	(92,065)
<b>Net after tax contributions</b>	<b>971,592</b>	<b>829,736</b>
<b>Benefits paid</b>		
Rollovers	(464,861)	(387,333)
Cash benefits paid	(227,161)	(180,870)
Pensions paid	(126,761)	(110,470)
<b>Net benefits paid</b>	<b>(818,783)</b>	<b>(678,673)</b>
<b>Insurance</b>		
Insurance premiums charged to members' accounts	(59,663)	(61,334)
Claims credited to members' accounts	21,744	25,416
Tax benefit on insurance premiums	8,951	9,170
<b>Net insurance (cost)/benefit</b>	<b>(28,968)</b>	<b>(26,748)</b>
<b>Income and expenses</b>		
Investment earnings/(losses) applied to members	(455,106)	1,887,265
Net change in defined benefit member accrued benefits	(11,722)	15,539
Fees paid by members	(34,219)	(34,604)
<b>Net income/(expenses)</b>	<b>(501,047)</b>	<b>1,868,200</b>
<b>Liability for accrued benefits end of period</b>	<b>12,977,978</b>	<b>13,355,184</b>

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.

## Abridged financial statements 2022

### Statement of changes in reserves

	Trustee Operating Reserve \$'000	Operational Risk Reserve \$'000
<b>Year ended 30 June 2020</b>		
Opening balance	29,969	30,434
Adoption of AASB 16	(40)	-
Net income/(loss) applied	(29,878)	(215)
Fees paid by members	32,991	2,340
<b>Closing balance</b>	<b>33,042</b>	<b>32,559</b>
<b>Year ended 30 June 2021</b>		
Opening balance	33,042	32,559
Net income/(loss) applied	(30,595)	5,736
Fees paid by members	33,807	797
<b>Closing balance</b>	<b>36,254</b>	<b>39,092</b>
<b>Year ended 30 June 2022</b>		
Opening balance	36,254	39,092
Net income/(loss) applied	(42,646)	(1,389)
Fees paid by members	34,219	-
<b>Closing balance</b>	<b>27,827</b>	<b>37,703</b>

#### Reserves (How we manage your money)

The Trustee maintains a Trustee Operating Reserve and an Operational Risk Reserve. The Trustee's Reserving Policy governs the amount, use, investment, monitoring and review of the reserves in accordance with superannuation law. The reserve accounts are invested across a number of NGS Super investment options.

The Trustee Operating Reserve is used to meet the operating costs of running the Fund, including investment in initiatives aimed at improving operational efficiencies or introducing new products and services for members. The reserve is funded by fees and other costs and investment earnings.

The Operational Risk Reserve is used to protect members against costs which may arise from operational risk events. The reserve is funded by retaining a small portion of the fees charged to members together with investment earnings.

The Trustee sets the reserve levels based on the anticipated operating expenses of the Fund and an allowance for contingent liabilities. The total reserve at 30 June 2022 was \$65.53 million or 0.50% of assets under management. The levels of reserves for 30 June 2022 and preceding years are shown below:

As at 30 June	\$M	% of assets
<b>2022</b>	\$65.53	0.50
<b>2021</b>	\$75.35	0.56
<b>2020</b>	\$65.60	0.57



# Things you need to know

## Providing feedback or making a complaint

If you are dissatisfied with us, please let us know as soon as possible so that we can work to resolve your enquiry or complaint quickly. Contact us on **1300 133 177** or at [ngssuper.com.au/contact-us](https://ngssuper.com.au/contact-us)

If we have not responded to your complaint within the timeframe prescribed in our [complaints process](#) or you are not satisfied with our decision, you may be able to take the matter to the Australian Financial Complaints Authority (AFCA) at [afca.org.au](https://afca.org.au) or on **1800 931 678**.

Internal complaints contact	External complaints contact
<b>NGS Super Complaints Officer</b>	<b>Australian Financial Complaints Authority (AFCA)</b>
Mail: <b>PO Box 21236 World Square NSW 2002</b>	Mail: <b>GPO Box 3 Melbourne VIC 3001</b>
Phone: <b>1300 133 177</b> Monday to Friday, 8am–8pm (AEST/AEDT)	Phone: <b>1800 931 678</b> (free call)
Overseas: <b>+61 3 8687 1818</b>	Email: <b>info@afca.org.au</b>
Online: <b>ngssuper.com.au/contact-us</b>	Online: <b>afca.org.au</b>

Time limits may apply to complain to AFCA and so you should act promptly or otherwise visit the AFCA website to find out if or when the time limit relevant to your circumstances expires.

You can get a copy of NGS Super’s **Complaint and dispute resolution process** by:

- visiting [ngssuper.com.au/complaints](https://ngssuper.com.au/complaints)
- calling us on **1300 133 177**
- emailing [ngsadminteam@ngssuper.com.au](mailto:ngsadminteam@ngssuper.com.au)

## Eligible Rollover Fund (ERF)

AUSfund was an eligible rollover fund where lost and unclaimed member accounts could be transferred and managed. These are now managed by the Australian Taxation Office (ATO).

AUSfund closed on 21 May 2021. Up until 30 April 2021, funds were only transferred from NGS Super to AUSfund where we received a tax file number refund on exit. These are now transferred to the ATO.

If your account was transferred to AUSfund or the ATO, you are no longer a member of NGS Super and any insurance cover you had with us ceased.

The Federal Government has now assumed sole responsibility for the reunification of unclaimed super accounts via the ATO.

ATO contact details
Phone: <b>13 10 20</b> Monday to Friday 8am–6pm
Website: <b>ato.gov.au</b>

# Things you need to know

## Transfer to the Australian Tax Office (ATO)

By law, NGS Super must transfer member balances to the ATO if an account meets the following:

ATO exit type	Definition
<b>Lost member</b>	You have: <ul style="list-style-type: none"><li>2 returned mail items</li><li>an inactive account and</li><li>a balance less than \$6,000 at 30 June or 31 December.</li></ul>
<b>Inactive member</b>	You’ve had no contributions and no contact with NGS for 5 years.
<b>Over age 65</b>	You’ve had no contributions for 2 years and no contact with NGS for 5 years after reasonable effort from us.
<b>Inactive low balance</b>	You: <ul style="list-style-type: none"><li>have a balance less than \$6,000 at 30 June or 31 December</li><li>don’t have insurance with us</li><li>aren’t in a defined benefit account and</li><li>in the last 16 months, have not:<ul style="list-style-type: none"><li>received a contribution or roll-in</li><li>added or updated a binding beneficiary nomination</li><li>made changes to your investment strategy</li><li>had an asset switch or</li><li>requested to change your insurance.</li></ul></li></ul> <p>You can request that your account is not treated as an Inactive low balance account (for 16 months only) by completing the ATO form available at <a href="https://ngssuper.com.au/keepsuper">ngssuper.com.au/keepsuper</a></p>
<b>Temporary resident</b>	You are a former temporary resident and: <ul style="list-style-type: none"><li>it has been more than 6 months since the later of either your departure from Australia or your visa ceasing to be in effect and</li><li>your visa has expired or been cancelled.</li></ul> <p>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.</p>

Once your money has been transferred, you will need to contact the ATO to claim your benefit. For more information visit [ato.gov.au](https://ato.gov.au)

## Fund changes for 2021–22

During the 2021–22 financial year we made several changes to the Fund. Members were notified about these changes in Significant Event Notices and you can find more information about each of these at [ngssuper.com.au/sen](https://ngssuper.com.au/sen)

## NGS Super’s governance framework

The trustee is committed to ensuring that the Fund has sound and effective systems of governance and that it conducts its affairs with a high degree of integrity, ensuring that business operations are competently and prudentially managed.

The governance framework includes the oversight of systems, structures, policies, processes and people that underpin accountability within the business operations of NGS Super.

Information relating to the Fund’s governance framework, including its key policies, is available on the Fund’s website at [ngssuper.com.au/policies](https://ngssuper.com.au/policies) under the **Governance tab**.

## 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.

## 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.



# Our awards

## An award-winning Industry SuperFund

Putting our members first is at the heart of everything we do, and it shows. At NGS, we're proud to be recognised by multiple independent rating agencies for our high level of customer service, insurance benefits and our commitment to social and environmental responsibility.

To find out more about our awards and ratings, plus our staff's latest achievements, go to [ngssuper.com.au/awards](https://ngssuper.com.au/awards)



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## How to contact us

You can contact us at: [ngssuper.com.au/contact-us](https://ngssuper.com.au/contact-us) or call us on **1300 133 177** Monday to Friday, 8am–8pm (AEST/AEDT).

Phone number for callers outside Australia **+61 3 8687 1818**

Fax: **(03) 9245 5827**

Postal address:

**GPO Box 4303**

**MELBOURNE VIC 3001**

## NGS Financial Planning

To make an appointment, call us on **1300 133 177** or complete the [Financial planning enquiry form](https://ngssuper.com.au/advice) at [ngssuper.com.au/advice](https://ngssuper.com.au/advice)

## NGS Super offices:

### Trustee office (NSW)

Level 4, 14 Martin Place  
Sydney NSW 2000

#### Postal address:

PO Box 21236

WORLD SQUARE NSW 2002

### Queensland

Level 6, 157 Ann Street  
Brisbane Qld 4000

### South Australia

Level 1, 431-439 King William Street  
Adelaide SA 5000

### Victoria

Level 5, 737 Burwood Road  
Hawthorn Vic 3122

**ngssuper.com.au**

**1300 133 177**

## Important Information

The information provided in this document is general information only and does not take into account your objectives, financial situation or needs. Before making a financial decision, please assess the appropriateness of the information to your individual circumstances and consider seeking professional advice. Past performance is not a reliable indicator of future performance.

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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