



Your partner
for tomorrow

Annual Report 2022-23

NGS Super acknowledges the traditional owners of the land where we gather to work across Australia, recognising their connection to and role in caring for the land, waters, and Country.

We pay our respects to Elders past and present.

Traditional owners of the lands on which NGS Offices are located

Sydney

Gadigal people of the Eora nation

Melbourne

Wurundjeri people of the Kulin Nation

Brisbane

Turrbal and Jagera peoples

Adelaide

Kaurna people

Perth

Whadjuk Nyoongar people

This Annual Report is a summary of NGS Super's operations and financial position for the 12 month period to 30 June 2023. 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. 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



Contents

Fund snapshot as at 30 June 2023	4
Message from the Chair	6
Message from the CEO	8
Our strategy, products and member support	10
Managing your investment	15
Our Trustee Board and Executive team	28
Abridged financial statements	31
Further information about your Fund	36

Fund snapshot

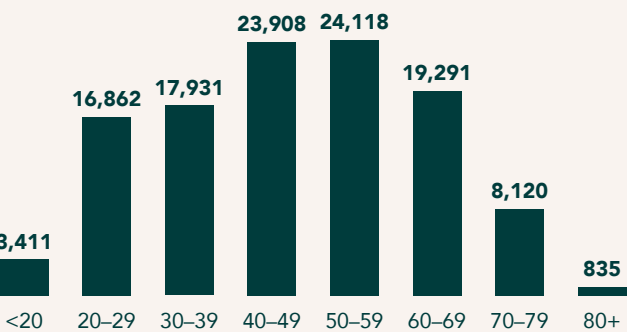
as at 30 June 2023

\$14.2b

Net assets under management

114,476

Members



Members by age



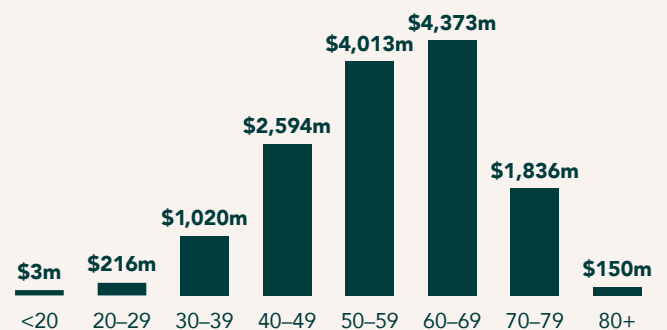


55%

of eligible^ members are insured

18,241

Employers



Assets under management by age

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



Message from the Chair

This year NGS Super celebrates its 35th year of operation. While we have changed and grown significantly since first opening our doors, many of the things which make us unique have not changed.

I'd like to acknowledge Dick Shearman who retired from the NGS Board in December 2022 after serving more than 10 years as Chair. I thank him for his leadership and the high standard he has set for the governance of the Fund.



As a fund built for education professionals by education professionals, we understand that members want a fund that offers personalised service and support, high-quality products with competitive fees, and sound investment returns over the long term.

These strong foundations have supported our consistent growth, and this year the NGS team has continued to deliver against each of these core pillars.

NGS Super is also looking towards the future with a strategic focus that will help ensure our members continue to thrive with us as they prepare for their tomorrow.

Developing a carbon neutral investment portfolio by 2030 is central to our purpose. We are committed to this bold target, and I am pleased to report the Fund is well on track to meet this goal.

To ensure that the Fund is set up to deliver our strategic plans, this year we've increased the depth of skills and expertise through recruitment within our Executive team as well as the broader organisation.

Following the retirement of Laura Wright as Chief Executive Officer (CEO) in 2022, the Board unanimously appointed Natalie Previtera to the role of CEO in June 2023. During the nine months Natalie acted in the CEO role prior to her appointment, she demonstrated a deep and genuine passion for delivering increased value to members. Coupled with her extensive experience in financial services, the Board is confident that Natalie is the right person to lead NGS into our next phase of growth.

In addition to Natalie's appointment, the Fund's Chief Strategy Officer, Ben Facer, was elevated to Deputy CEO, Jo Klingberg was appointed as Chief Growth Officer, and Phillipa Minney was appointed to Chief Risk Officer and Head of Corporate Services.

These appointments to the NGS Executive team have increased the capability and commitment to drive our strategy, maintain a strong and positive culture and ensure that risk and compliance is well understood and managed within the Fund.

Finally, I'd like to acknowledge Dick Shearman who retired from the NGS Board in December 2022 after serving more than 10 years as Chair. I thank him for his leadership and the high standard he has set for the governance of the Fund.

May I also congratulate and thank Natalie, Ben, the Senior Executive team and all the staff for their commitment and professionalism throughout the year.

I look forward to working with my fellow directors and the NGS team to help ensure that all NGS Super members, regardless of their age or stage of life, continue to thrive as members of the Fund.

Dr Geoff Newcombe AM
Chair



Message from the CEO

2022-23 has been a time of action for NGS Super. We've been building on our strengths and moving forward on our plans to grow the Fund by delivering what matters to members – sound long-term investment performance, personalised services and support, and enhanced product offerings.

A review of our insurance product offering has ensured it remains relevant and competitive in terms of price, sustainability, coverage, service and overall value.

I want our members to feel secure and confident at every stage of their super journey with us. And I can assure you that this is what both myself and the team at NGS are focused on delivering each and every day.

We achieved above-target growth in member numbers and funds under management and remain committed to growing the Fund in a way that consolidates our position as the leading fund for the education sector.

Our purpose at NGS is 'to help you and the world prepare for tomorrow'. This ethos is hardwired into the way we work. Put simply, our members are at the centre of what we do. You will see this across NGS, for example, in how we connect our members with quality information and resources, so you feel empowered and comfortable with the decisions you're making about your super.

The opening of our new office in Perth has enabled us to reach more members, as has the expansion of our network of super specialists and financial planners.

A review of our insurance product offering has ensured it remains relevant and competitive in terms of price, sustainability, coverage, service and overall value. In the retirement space, we worked to build a stronger understanding of our members' needs and develop new product solutions to help members better manage income and risk in retirement.

We also undertook a significant review of our administration and service model, to improve the operational efficiency and the quality and accessibility of our services. We look forward to announcing the first milestones of this project early in 2024.

A further important focus during the year was strengthening our information security systems and our risk framework. Much of this work was in response to the cyber-attack which occurred in March 2023.

I'd like to reassure members that in the intervening months we have taken all necessary steps – and more – to further secure our platforms and strengthen our ability to respond to potential threats in a timely and efficient manner.

We're confident that the work we have done and will continue to undertake will help ensure operational excellence and security across all aspects of the organisation.

I'm extremely proud that our commitment to delivering what matters to members continues to be acknowledged by the super industry:

- SuperRatings 2023 Award for Accountability and Transparency, and a finalist in the MyChoice Super of the Year and Best Low-Cost Offering categories at the SuperRatings Super Fund of the Year 2023 awards.
- Money Magazine's 2023 Award for the Best Value Balanced Super Product at their Best of the Best Awards.
- SuperRatings Platinum Rating for 2023, for the 18th consecutive year, underscoring NGS Super as a 'best value for money' super fund.
- Passing the APRA annual performance test for the third year in a row, which measures the performance, fees and costs of MySuper and choice products.

It's through all of these initiatives and projects that we are working for your future and the future of the Fund. Through our commitment to improving our products and services we are taking care of your tomorrow.

On a personal note, I was delighted to be permanently appointed as Chief Executive Officer in June 2023 and I thank the Board for the trust they have placed in me. I am genuinely excited to work closely with the Board as we implement the Fund's strategic goals.

I'd also like to thank the entire NGS team for their unwavering commitment to our members over the past year. I'm honoured to lead a team of dedicated professionals who take our purpose to heart and continue to put our members first in everything we do.

Natalie Previtera
Chief Executive Officer



Our strategy
**products and
member support**

Our strategic focus

2022-23 was a critical year for the Fund as we set out in pursuit of a new strategic plan. This plan was centred on a recommitment by the Fund to its purpose and vision.

Our Purpose

To help you and the world prepare for tomorrow.

Our Vision

To be the chosen fund for education professionals, delivering consistently strong investment returns and personalised service to help members achieve a sustainable retirement.

To be best positioned to achieve this, we pursued a number of ambitious goals and initiatives over the past year. These included:

- an insurance re-design – delivering a revised design with a greater focus on the biggest needs of the membership.
- an investment strategy review – to continue to revise our strategy to the changing investment landscape.
- a restructure of our customer service approach – allowing our team to focus more specifically on members at the times when additional support is most valued.
- an information security enhancement program – allowing the Fund to better protect the sensitive personal information of members from new and emerging information security threats
- an administration platform review – to identify opportunities to improve the speed and quality of transaction processing.

These initiatives, along with many other general process improvement initiatives undertaken within the Fund allowed us to achieve some excellent results for the year including:

- again achieving SuperRatings Platinum rating for our MySuper, Choice and Pension products.
- 9% increase in funds under management
- membership growth exceeding the industry average growth
- increased member satisfaction results (81% up from 79% in 2021-22)
- increasing levels of members engaging with their super in the right ways to improve their retirement outcomes (42.4% up from 39.6% in 2021-22).

Targeted products making a difference

Our products are targeted to suit the needs of education professionals, with the flexibility to also suit the needs of our growing number of members from outside the education sector.

Insurance

An insurance design that focuses on the needs of our members is a key component of our product proposition. NGS Super was proud to be a top 3 finalist in the Best Fund: Insurance category in the 2023 Chant West Awards.

As at 30 June 2023, 55% of eligible NGS Super members held insurance with the Fund.

Every two years we conduct a review of our insurance offering to ensure that it continues to be one of the best in Australia in terms of price, sustainability, coverage, service and overall value.

Following our review, we implemented a number of key changes to our insurance design effective from 9 November 2022 including:

- moving default IP benefit payment period from 5 years to 2 years
- renewed pricing with a decrease in Income Protection pricing due to the change in benefit payment period, and a small increase in Life and Total and Permanent Disablement pricing.

We are currently conducting a further review, and we are confident of being able to announce some exciting changes in 2024.

This will help to ensure that the benefits and cover provided in our insurance offering even better meets the needs of our members while not inappropriately eroding their retirement benefits.

Insurance claims 2022-23

→ 73% of all claims paid

→ 379 claims paid

– 19 terminal illness

– 63 death

– 92 total and permanent disablement

– 205 income protection

→ \$57,324,583 total value of all claims paid

Member outcomes assessment

Each year we assess the performance of our products as part of the member outcomes assessment for our MySuper offering in NGS Accumulation, as well as our choice offerings in NGS Accumulation, Transition to retirement and Income accounts.

The assessment is determined across a range of measures including investment performance, fees and costs, product appropriateness and insurance.

Our most recent assessment for the period ending 30 June 2022 was published in March 2023 and is available at ngssuper.com.au/regulatory-disclosures/member-outcomes-assessment



Retirement income strategy

Following the launch of our first Retirement Income Strategy in June 2022 as part of the government's Retirement Income Covenant, significant foundational work was undertaken during the year to further our understanding of our members' needs in the years before and after retirement, and to develop product solutions to assist in managing retirement risk.


We're proud to have developed our new Easy Default retirement solution during 2022-23, which was launched on 1 November 2023. Easy Default introduces new default investment and drawdown settings to help members achieve a higher income in retirement while better managing investment and other risk.

Other key achievements in 2022-23 included:

- Launch of a retirement optimiser journey within our e-Advice tool empowering members to test their retirement path and receive a statement of advice.
- Detailed journey mapping to gain insights into member behaviour, helping us to identify actions that will better support and assist members approaching or in retirement.
- Developed a member survey (conducted in July-August 2023) to better understand key member characteristics regarding their financial position, such as level of home ownership, Age Pension eligibility, and confidence in their own retirement decision making.
- Developed a pipeline of retirement initiatives, including updated web content, calculators, and targeted member education campaigns for implementation in 2023-24.

A summary of our Retirement Income Strategy is available at ngssuper.com.au/retirement

Easy Default introduces new default investment and drawdown settings to help members achieve a higher income in retirement while better managing investment and other risk.



Supporting our members

As a niche fund, we aim to engage in a more meaningful way with our members, from the moment they join NGS and as we work together to create a sustainable retirement.

We're always looking to better understand the areas of service that are important to our members, and our aim is to ensure that every experience at every touchpoint is a positive one.



64,701

helpline calls



81%

member satisfaction



20

online seminars



2,274

seminar attendees



522,788

total website users



9%

of members have sought our advice and education services



3,738

app downloads



12,672

app visits

All figures are for the 12 months to 30 June 2023



Managing your investment

Investment update

Ben Squires
Chief Investment Officer



2023 market backdrop

After weaker investment performance in 2022, the market bounced back because of both economic and company profitability surprised the market with better results. This was enough to offset impacts of increases in interest rates.

Whilst inflation remained high throughout the year, inflation expectations remained anchored amongst investors, and this was justified as we saw peaking inflation in the first half of 2023, and hawkish language from major central banks around the world which provided confidence that inflation would continue to fall.

Business and consumer sentiment declined throughout the year, however the significant accumulated savings resulted in both economic growth and consumer spending remaining positive.

The Australian economy was no different in terms of excess savings which supported consumption, particularly in the services sector. The Australian dollar depreciated against the US dollar and continued to remain well below its long-term fair value throughout the year.

Share markets were the highest returning asset class for the financial year ending 30 June 2023, as the economic conditions allowed many companies to maintain profit margins and beat investor expectations.

With continued increases in interest rates, government bonds suffered along with those asset classes that are more sensitive to movement in bonds, such as listed infrastructure and property (in particular commercial property).

Performance

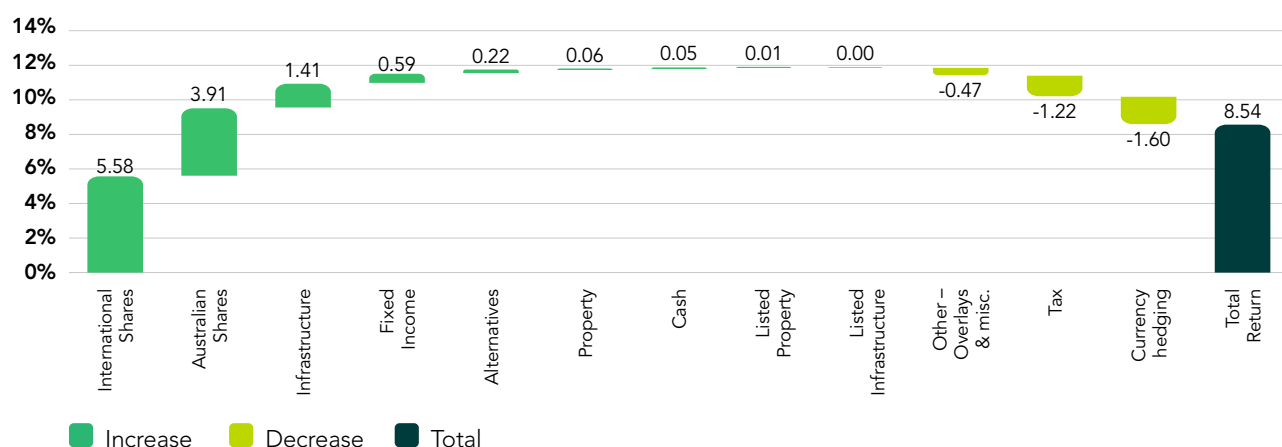
All multi-asset class options performed strongly over the year because of strong returns generated by share markets. The Australian Shares option delivered 15.68% before tax, whilst the International Shares option delivered 18.07% before tax. With approximately 50% of the Diversified (MySuper) option having exposure to shares, the contribution to returns from these asset classes was material over the year and the Diversified (MySuper) option returned 8.54%, while the Diversified (Pension) option returned 9.75%.

Bonds suffered because of rising interest rates as did any other rate-sensitive asset classes such as listed property and infrastructure. Many unlisted asset classes took a backseat relative to listed shares, however the infrastructure, bond alternatives and property growth sector all made a positive contribution to the portfolio returns over the year.

The following chart shows the contribution to returns from each underlying sector within the Diversified (MySuper) option.

Diversified (MySuper) – 1-year contribution to portfolio performance

as of 30 June 2023



Activities over the year

The portfolio remained close to the strategic asset allocation over the year, however, took profits as share markets rose. Defensive positions were added over the year, such as government bonds and infrastructure, and foreign currency such as the Japanese Yen and US dollar.

The efforts to decarbonise the portfolio continued with the interim 2025 target of a 35% reduction in carbon emissions relative to 2021 levels, ahead of plan.

Several investments were made across infrastructure and private equity in areas such as affordable housing, renewable energy, sustainable agriculture and artificial intelligence. These investments are supported by long-term secular trends and expected to add significant value to the portfolio returns.

Research continued in several emerging investment areas including natural capital, biodiversity credits, and green minerals. This research occurred alongside our wider portfolio work in traditional asset classes such as shares, real estate, infrastructure, hedge funds, fixed income, commodities, and currency.

The design of the new Easy Default retirement solution was concluded with Retire Plus identified as the appropriate growth option given its characteristics to generate strong returns with lower volatility.

The integration of our major investment data transformation was completed, and three additional investment professionals were added to the team.

The outlook

The economy continues to slow, but severe recession risk remains low.

During global slowdowns, shares tend to fall, whereas government bonds rise. During this stage of the business cycle, business and consumer sentiment remains weak, and this is expected to continue whilst central banks around the world maintain a tightening bias of monetary policy and liquidity is removed (money supply) from the system.

Geopolitical tensions are likely to remain heightened and this will see energy commodities such as oil and gas, and gold deliver positive returns during this period. In this environment, it is expected that the Australian dollar will remain weaker relative to the USD. The downside risk to this scenario, ie a deeper recession, is likely if the war between Israel and Gaza spreads to the broader Middle East.

China makes up a large proportion of the global economy and we expect that its contribution to global growth will struggle to contribute enough to prevent a global recession, albeit our base case expectation is for a mild recession to occur in the middle to second half of 2024. Productivity growth is expected to improve as it has more recently in the US.

In the event of a mild recession occurring, a modest recovery will prevail. The US and Australia are well positioned relative to Europe and emerging markets because of more favourable demographics, positive immigration, abundance of commodities and a skilled workforce that provides great potential for productivity growth to occur and improve GDP growth.

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, which multiplies the number of units in your account by the current unit price to update your account balance. That is:

$$\text{Your account balance} = \text{number of units} \times \text{current unit price}$$

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, the asset-based administration 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 2023.

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

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 20 to 26 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*.

Fees and costs

The fees and costs listed below represent the actual costs for 2022-23 for each investment option as at 30 June 2023.

Information regarding fees and costs can be found in our **Fees, costs and tax guide** (for *Accumulation account* members) and the **NGS Retirement PDS** (for *Transition to Retirement* and *Income account* members) available at ngssuper.com.au/pds

Accumulation and Transition to retirement account members

Investment option		Investment fees and costs	Performance fee	Transaction costs
Pre-mixed	Diversified (MySuper)	0.70%	0.07%	0.09%
	High Growth	0.79%	0.13%	0.09%
	Balanced	0.59%	0.05%	0.08%
	Defensive	0.57%	0.04%	0.07%
	Indexed Growth	0.03%	0.00%	0.02%
Sector-specific	Australian Shares	0.41%	0.04%	0.14%
	International Shares	0.44%	0.03%	0.12%
	Infrastructure	0.13%	0.00%	0.13%
	Property	0.22%	0.00%	0.17%
	Diversified Bonds	0.15%	0.00%	0.02%
	Cash and Term Deposits	0.03%	0.00%	0.00%

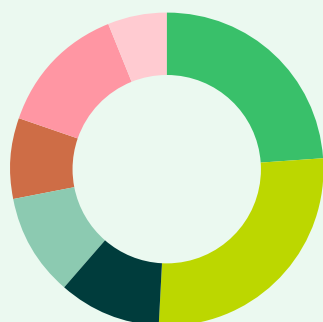
Income account members

Investment option		Investment fees and costs	Performance fee	Transaction costs
Pre-mixed	Diversified	0.67%	0.07%	0.09%
	High Growth	0.79%	0.13%	0.10%
	Balanced	0.59%	0.05%	0.08%
	Defensive	0.57%	0.04%	0.07%
	Indexed Growth	0.04%	0.00%	0.02%
	Retire Plus	0.69%	0.07%	0.08%
Sector-specific	Australian Shares	0.41%	0.04%	0.15%
	International Shares	0.45%	0.03%	0.12%
	Infrastructure	0.15%	0.00%	0.16%
	Property	0.23%	0.00%	0.18%
	Diversified Bonds	0.15%	0.00%	0.02%
	Cash and Term Deposits	0.03%	0.00%	0.00%

Pre-mixed Investment options at 30 June 2023

Asset allocation and investment performance

PRE-MIXED OPTIONS Diversified (MySuper)



Strategic asset allocation

Australian shares	24%
International shares	27%
Listed infrastructure	0%
Infrastructure	10.5%
Alternatives	10.5%
Listed property	0%
Property	8.5%
Fixed income	13.5%
Cash	6%

Total growth assets 70.5%

Total defensive assets 29.5%

Foreign currency exposure 13.5%

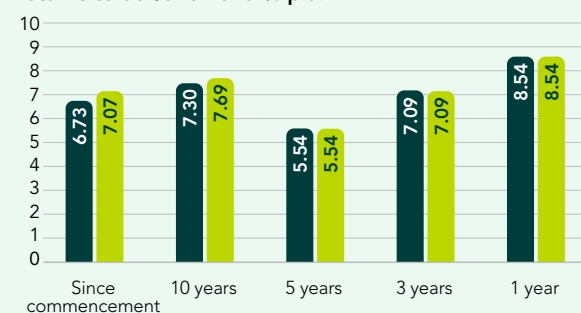
Investment performance objective

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

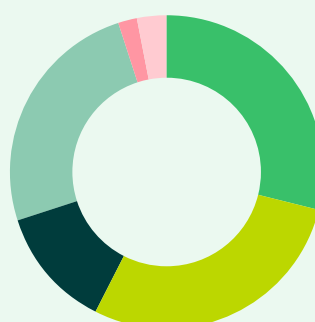
Minimum investment timeframe

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

Returns to 30 June 2023 % p.a.



PRE-MIXED OPTIONS High Growth



Strategic asset allocation

Australian shares	29%
International shares	28.5%
Listed infrastructure	0%
Infrastructure	12.5%
Alternatives	25%
Listed property	0%
Property	0%
Fixed income	2%
Cash	3%

Total growth assets 79.4%

Total defensive assets 20.6%

Foreign currency exposure 14.3%

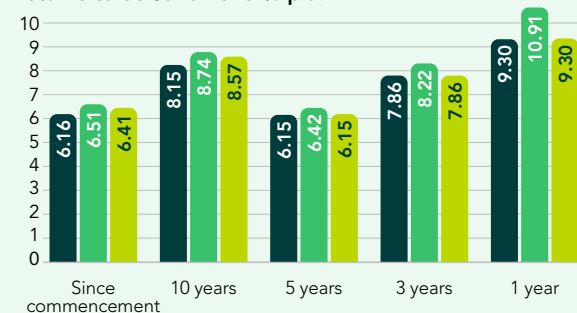
Investment performance objective

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 2023 % p.a.

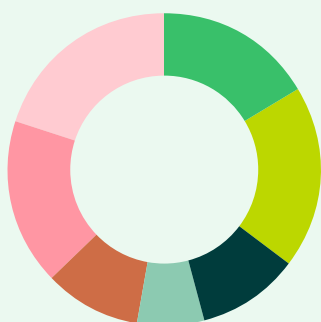


Pre-mixed Investment options at 30 June 2023

Asset allocation and investment performance

PRE-MIXED OPTIONS

Balanced



Strategic asset allocation

Australian shares	16.5%
International shares	19%
Listed infrastructure	0%
Infrastructure	10.5%
Alternatives	7%
Listed property	0%
Property	10%
Fixed income	17%
Cash	20%
Total growth assets	54.4%
Total defensive assets	45.6%
Foreign currency exposure	9.5%

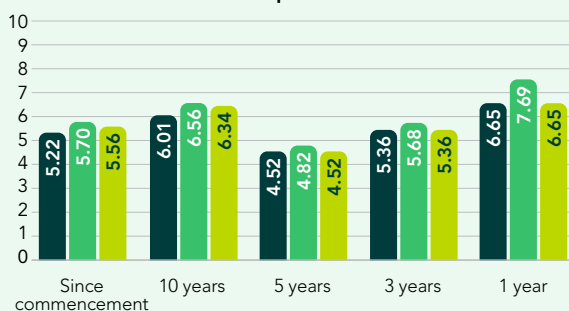
Investment performance objective

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

Minimum investment timeframe

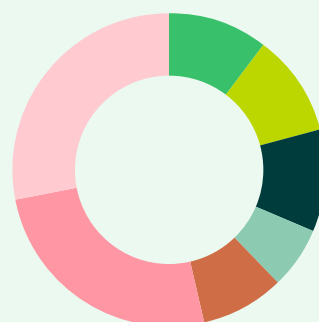
Be prepared to stay invested in this option for at least 7 years before it meets its objectives.

Returns to 30 June 2023 % p.a.



PRE-MIXED OPTIONS

Defensive



Strategic asset allocation

Australian shares	10.5%
International shares	10.5%
Listed infrastructure	0%
Infrastructure	10.5%
Alternatives	6.4%
Listed property	0%
Property	8.5%
Fixed income	25.6%
Cash	28%
Total growth assets	38.5%
Total defensive assets	61.5%
Foreign currency exposure	5.3%

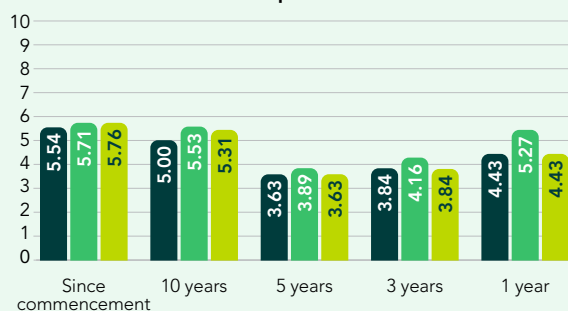
Investment performance objective

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.

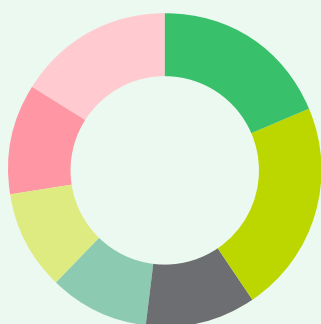
Returns to 30 June 2023 % p.a.



Pre-mixed Investment options at 30 June 2023

Asset allocation and investment performance

PRE-MIXED OPTIONS Indexed Growth



Strategic asset allocation

Australian shares	27.5%
International shares	29.5%
Listed infrastructure	10%
Infrastructure	0%
Alternatives	0%
Listed property	9%
Property	0%
Fixed income	10%
Cash	14%
Total growth assets	76.0%
Total defensive assets	24.0%
Foreign currency exposure	14.8%

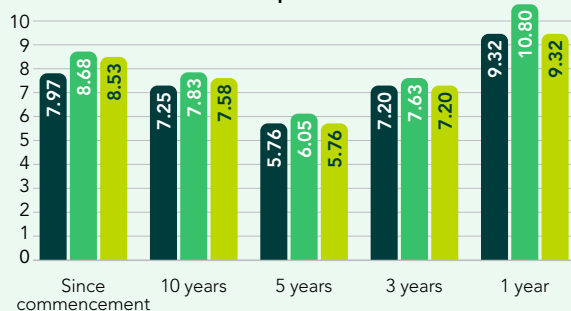
Investment performance objective

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

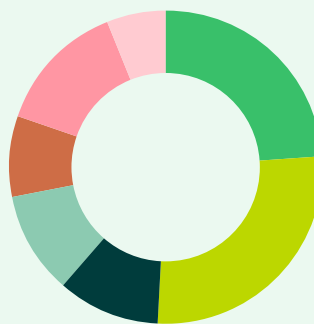
Minimum investment timeframe

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

Returns to 30 June 2023 % p.a.



PRE-MIXED OPTIONS Diversified



Strategic asset allocation

Australian shares	24%
International shares	27%
Listed infrastructure	0%
Infrastructure	10.5%
Alternatives	10.5%
Listed property	0%
Property	8.5%
Fixed income	13.5%
Cash	6%
Total growth assets	70.5%
Total defensive assets	29.5%
Foreign currency exposure	13.5%

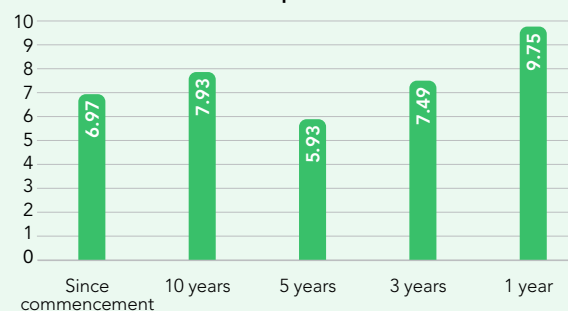
Investment performance objective

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.

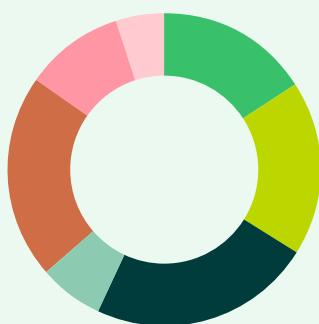
Returns to 30 June 2023 % p.a.



Pre-mixed Investment options at 30 June 2023

Asset allocation and investment performance

PRE-MIXED OPTIONS Retire Plus (Income account only)



Strategic asset allocation

● Australian shares	16%
● International shares	18%
● Listed infrastructure	0%
● Infrastructure	23%
● Alternatives	6.8%
● Listed property	0%
● Property	21%
● Fixed income	10.2%
● Cash	5%
Total growth assets	70.4%
Total defensive assets	29.6%
Foreign currency exposure	9.0%

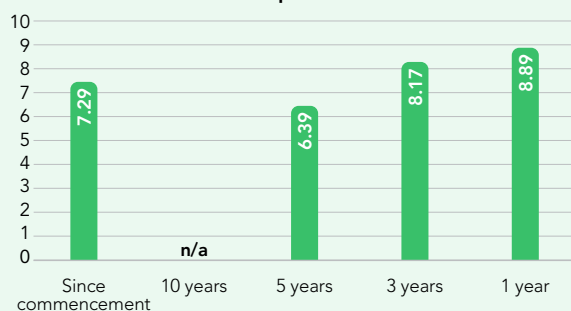
Investment performance objective

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 2023 % p.a.



■ NGS Income account

Sector-specific Investment options at 30 June 2023

Asset allocation and investment performance

SECTOR-SPECIFIC OPTIONS Australian Shares



Strategic asset allocation

● Australian shares	100%
● Cash	0%
Total growth assets	100%
Total defensive assets	0%
Foreign currency exposure	0%

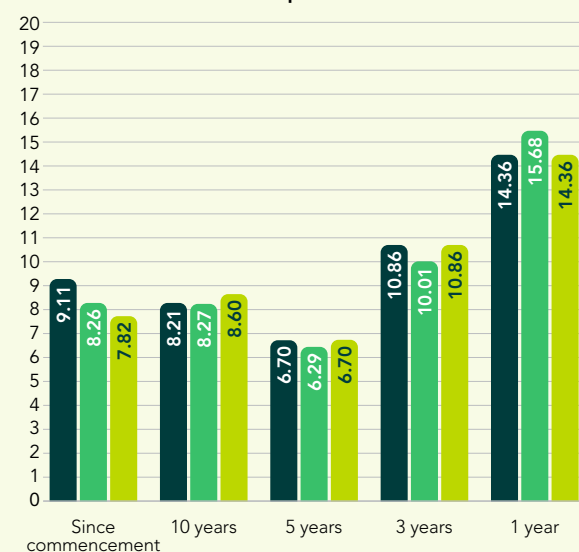
Investment performance objective

Outperform S&P/ASX 300 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 2023 % p.a.



SECTOR-SPECIFIC OPTIONS International Shares



Strategic asset allocation

● International shares	100%
● Cash	0%
Total growth assets	100%
Total defensive assets	0%
Foreign currency exposure	50%

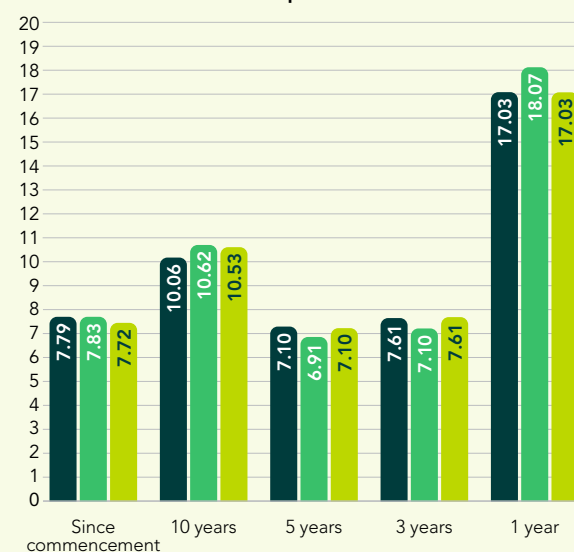
Investment performance objective

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 2023 % p.a.

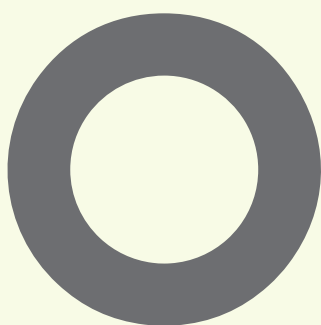


Sector-specific Investment options at 30 June 2023

Asset allocation and investment performance

SECTOR-SPECIFIC OPTIONS

Infrastructure



Strategic asset allocation

● Listed infrastructure	100%
● Cash	0%
Total growth assets	100%
Total defensive assets	0%
Foreign currency exposure	0%

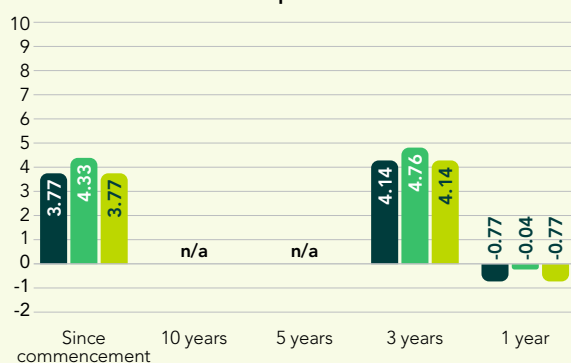
Investment performance objective

To achieve the equivalent return of the FTSE Developed Core Infrastructure 50/50 Net Total Return Index (Hedged to AUD) over the medium to long term.

Minimum investment timeframe

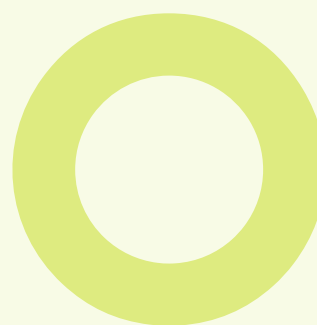
Be prepared to stay invested in this option for at least 10 years before it meets its objectives.

Returns to 30 June 2023 % p.a.



SECTOR-SPECIFIC OPTIONS

Property



Strategic asset allocation

● Listed property	100%
● Cash	0%
Total growth assets	100%
Total defensive assets	0%
Foreign currency exposure	0%

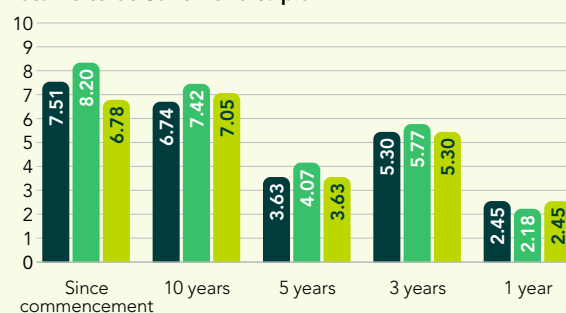
Investment performance objective

To achieve the equivalent return of the FTSE EPRA/NAREIT Developed Net Total Return Index (Hedged to AUD) 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.

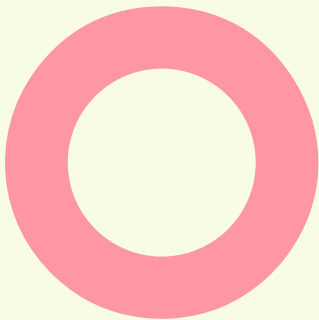
Returns to 30 June 2023 % p.a.



Sector-specific Investment options at 30 June 2023

Asset allocation and investment performance

SECTOR-SPECIFIC OPTIONS Diversified Bonds

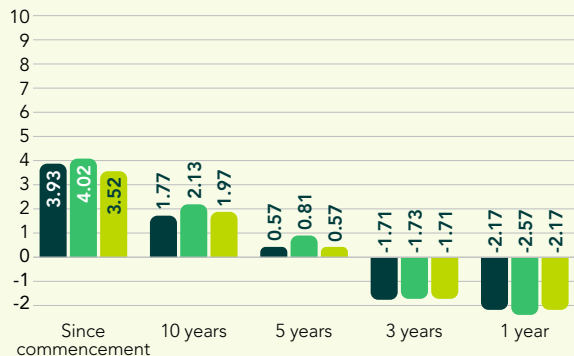


Strategic asset allocation	
Fixed income	100%
Cash	0%
Total growth assets	0%
Total defensive assets	100%
Foreign currency exposure	0%

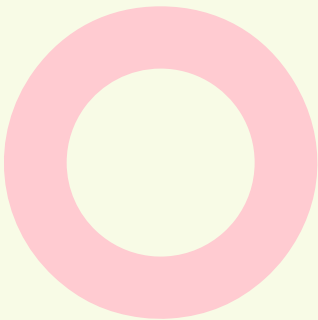
Investment performance objective
To achieve the equivalent return of the J.P. Morgan Government Bond Index Global (Hedged to AUD) over the medium to long term.

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 2023 % p.a.



SECTOR-SPECIFIC OPTIONS Cash and Term Deposits

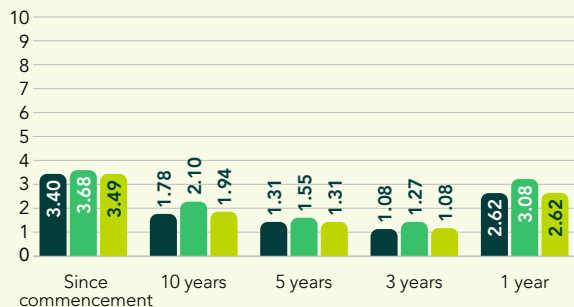


Strategic asset allocation	
Cash	100%
Total growth assets	0%
Total defensive assets	100%
Foreign currency exposure	0%

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 2023 % p.a.



Investment Managers

at 30 June 2023

The following details the names of the investment managers appointed by NGS Super as at 30 June 2023

A

abrdn Australia Ltd
Adamantem Capital Management Pty Ltd
Alceon Group Pty Ltd
Allan Gray Australia Pty Ltd
Allegro Funds Pty Ltd
Altius Asset Management Pty Ltd
American Century Investment Management Inc.
AMP Capital Investors Ltd
Amundi Asset Management Australia Ltd
Antipodes Partners Ltd
Ardian France S.A.
Audax Private Equity

B

Baring Asia Private Equity
Bell Asset Management Ltd
Blackbird Ventures Pty Ltd
Blackrock Inc.
Brandywine Global Investment Management, LLC
Bridgepoint Advisers Ltd

C

Campus Living Villages Pty Ltd
CIP Asset Management
Climate Adaptive Infrastructure LLC
Continuity Capital Partners Pty Ltd
Copenhagen Infrastructure Partners

E

EQT Fund Management
Ethical Partners Funds Management Pty Ltd

F

Fermat Capital Management LLC
Fife Capital Group Pty Ltd
Firetrail Investments Pty Ltd
First Sentier Investors (Australia) IM Ltd

G

Gardior Pty Ltd
General Atlantic Investment Partners
Global Evolution
Fondsmæglersekskab A/S
Godrej Fund Management Pvt. Ltd
GPT Fund Management Ltd
Graham Capital Management, L.P.

H

Harbourvest Partners LLC
Hull Street Energy, LLC
Hyperion Asset Management Ltd

I

IFM Investors Pty Ltd
Igneo Infrastructure Partners
Industry Super Holdings Pty Ltd
Invesco Australia Ltd

K

Kapstream Capital Pty Ltd
Kennedy Lewis Investment Management LLC

L

Lendlease Funds Management Ltd
Lennox Capital Partners Pty Ltd
LGT Capital Partners
Lightrock LLC

M

Macquarie Investment Management Ltd
Madison Realty Capital
Main Sequence Ventures
Mesirow Financial Investment Management, Inc
Monroe Capital
Morgan Stanley Investment Management (Australia) Pty Ltd
Morrison & Co Utilities Management (Australia) Pty Ltd

N

Newbury Partners LLC
Neuberger Berman Australia Ltd

O

Oaktree Capital Management, L.P.

P

Pacific Equity Partners Pty Ltd
Pacific Investment Management Company LLC
Pantheon Investments LLC
Peak Rock Capital LLC
PGIM Inc
Potentia Capital Management Pty Ltd
Prima Capital Advisors LLC

Q

QIC Ltd
Qiming Venture Partners

R

Resolution Life Group Holdings L.P.
Robeco
ROC Capital Pty Ltd
Russell Investment Management Ltd

S

Shubh Property
Siguler Guff
Social Ventures Australia Ltd
Solaris Investment Management Ltd
Stafford Capital Partners
State Street Global Advisors Australia Ltd
Stillbrook Capital Ltd
Stride Consumer Partners

U

UBS Securities Australia Ltd

V

Valueinvest Asset Management

W

Wilshire Investments LLC

Y

Yarra Funds Management Ltd



Our

Trustee Board and Executive team

NGS Super Trustee Board

at 30 June 2023

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/ngsteam

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 under the Governance tab.

Member representatives*



Patrick Anderson
Appointed by the
IEU SA



David Brear
Appointed by the
IEU Vic/Tas



Terry Burke
Appointed by the
IEU Qld/NT



Mark Northam
Appointed by the
IEU NSW/ACT



Christine Wilkinson
Appointed by the
IEU NSW/ACT

Employer representatives



**Dr Geoff Newcombe AM
(Chair)**
Appointed by the
AIS NSW



**Georgina Smith
(Deputy Chair)**
Appointed by the
SA Commission for
Catholic Schools



Michelene Collopy
Appointed by the
Roman Catholic Province
of Sydney



Kathy Dickson
Appointed by the
AIS NSW



Deborah Ponting
Appointed by CMS



Wendy Wills
Appointed by the
AIS SA

*As at 30 June 2023 the Board had a Member representative vacancy. The vacancy was filled by the Independent Education Union (NSW/ACT) on 27 September 2023.

NGS Super Executive team

as at 30 June 2023



Natalie Previtera
Chief Executive Officer



Ben Facer
Chief Strategy Officer
and Deputy CEO



Melissa Adam
Chief Experience Officer



Jo Klingberg
Chief Growth Officer



**Christopher
McManamon**
Chief Service
Delivery Officer



Philippa Minney
Chief Risk Officer and
Head of Corporate
Services



Ben Squires
Chief Investment Officer



Darryn Studdert
Chief Advice Officer





Abridged **financial statements**

Statement of financial position

	30/06/2023 \$'000	30/06/2022 \$'000
Assets		
Cash and cash equivalents	466,846	550,538
Receivables	129,901	169,300
Investments	13,953,596	12,670,864
Other assets	3,863	4,242
Total assets	14,554,206	13,394,944
Liabilities		
Creditors and accruals	169,049	237,264
Current tax liabilities	3,653	14,146
Deferred tax liabilities	175,072	79,080
Total liabilities	347,774	330,490
Net assets available for member benefits	14,206,432	13,064,454
Member benefits		
Defined contribution member liabilities	14,043,116	12,909,997
Defined benefit member liabilities	64,636	67,981
Total member benefits	14,107,752	12,977,978
Net assets	98,680	86,476
Equity		
Trustee operating reserve	28,769	27,827
Operational risk reserve	40,922	37,703
Defined benefit surplus	22,906	22,084
Unallocated surplus	6,083	(1,138)
Total equity	98,680	86,476

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.

Income statement

	30/06/2023 \$'000	30/06/2022 \$'000
Revenue from superannuation activities		
Interest*	50,580	29,995
Investment income*	358,050	407,325
Net gains/(losses) on assets measured at fair value	859,320	(1,073,177)
Sundry income	1,929	1,546
Total superannuation activities revenue	1,269,879	(634,311)
Expenses		
Direct investment expenses	42,275	54,400
Indirect investment expenses	11,672	8,402
Administration expenses	32,197	36,431
Other expenses	1,653	1,273
Total expenses	87,797	100,506
Results from superannuation activities		
Before income tax	1,182,082	(734,817)
Income tax expense/(benefit)	65,514	(125,589)
Results from superannuation activities after income tax	1,116,568	(609,228)
Allocation to member benefits		
Net (benefits)/losses allocated to defined contribution (DC) member accounts	(1,132,222)	455,106
Net (benefits)/losses allocated to defined benefit (DB) member liabilities	(12,160)	11,722
Total allocation to member benefits	(1,144,382)	466,828
Net operating result	(27,814)	(142,400)

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.

* In FY2023, there was a reclassification of certain income from 'Distributions' to 'Interest' in relation to certain debt investments.

The FY2022 values have been restated to ensure consistency across both years.

Statement of changes in members' benefits

	30/06/2023 \$'000	30/06/2022 \$'000
Liability for accrued benefits beginning of period	12,977,978	13,355,184
Contribution revenue		
Employer contributions	651,871	598,516
Member contributions	213,253	207,974
Government co-contributions	597	650
Transfers in	167,220	260,500
Income tax on contributions	(104,733)	(96,048)
Net after tax contributions	928,208	971,592
Benefits paid		
Rollovers	(390,878)	(464,861)
Cash benefits paid	(349,602)	(227,161)
Pensions paid	(139,338)	(126,761)
Net benefits paid	(879,818)	(818,783)
Insurance		
Insurance premiums charged to members' accounts	(61,535)	(59,663)
Claims credited to members' accounts	29,325	21,744
Tax benefit on insurance premiums	9,230	8,951
Net insurance (cost)/benefit	(22,980)	(28,968)
Income and expenses		
Investment earnings/(losses) applied to members	1,132,222	(455,106)
Net change in defined benefit member accrued benefits	12,160	(11,722)
Fees paid by members	(40,018)	(34,219)
Net income/(expenses)	1,104,364	(501,047)
Liability for accrued benefits end of period	14,107,752	12,977,978

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.

Statement of changes in reserves

	Trustee Operating Reserve \$'000	Operational Risk Reserve \$'000
Year ended 30 June 2021		
Opening balance	33,042	32,559
Net income/(loss) applied	(30,595)	5,736
Fees paid by members	33,807	797
	36,254	39,092
Year ended 30 June 2022		
Opening balance	36,254	39,092
Net income/(loss) applied	(42,646)	(1,389)
Fees paid by members	34,219	–
Closing balance	27,827	37,703
Year ended 30 June 2023		
Opening balance	27,827	37,703
Net income/(loss) applied	(39,076)	3,219
Fees paid by members	40,018	–
Closing balance	28,769	40,922

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 2023 was \$69.69 million or 0.49% of assets under management. The levels of reserves for 30 June 2023 and preceding years are shown below:

As at 30 June	\$M	% of Assets
2023	69.69	0.49%
2022	65.53	0.50%
2021	75.35	0.56%



Further
information

Further information about your Fund

Complaints 2022-23

1707

complaints received

68%

resolved within 5 days

32%

resolved after 5 days

28

proceeded to AFCA

Feedback and complaints

We're committed to resolving complaints fairly and objectively. Complaints play a crucial role in the continuous improvement of the Fund's operations and services, and provide invaluable feedback from members, highlighting where our processes may not be meeting their expectations.

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

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 or on **1800 931 678**.

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

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
- calling us on **1300 133 177**

Further information about your Fund

Fund changes for 2022–23

During the 2022–23 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

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 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.

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
Lost member	You have: <ul style="list-style-type: none">• 2 returned mail items• an inactive account and• a balance less than \$6,000 at 30 June or 31 December.
Inactive member	You've had no contributions and no contact with NGS for 5 years.
Over age 65	You've had no contributions for 2 years and no contact with NGS for 5 years after reasonable effort from us.
Inactive low balance	<p>You:</p> <ul style="list-style-type: none">• have a balance less than \$6,000 at 30 June or 31 December• don't have insurance with us• aren't in a defined benefit account and• in the last 16 months, have not:<ul style="list-style-type: none">– received a contribution or roll-in– added or updated a binding beneficiary nomination– made changes to your investment strategy– had an asset switch or– requested to change your insurance. <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 ngssuper.com.au/keepsuper</p>
Temporary resident	<p>You are a former temporary resident and:</p> <ul style="list-style-type: none">• 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• your visa has expired or been cancelled. <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

Our Awards

An award-winning industry super fund

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, go to ngssuper.com.au/awards



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How to contact us

You can contact us at **ngssuper.com.au/contact-us**

Call us on **1300 133 177**, Monday – Friday, 8am – 8pm (AEST/AEDT)

Callers outside Australia **+61 3 8687 1818**

Postal address: **GPO Box 4303, Melbourne, VIC 3001**

NGS Financial Planning

To make an appointment, call us on **1300 133 177**

or complete a Financial advice enquiry form at **ngssuper.com.au/advice**

1300 133 177

ngssuper.com.au

New South Wales

Level 4,
14 Martin Place
Sydney NSW 2000

Queensland

Level 6,
157 Ann Street
Brisbane Qld 4000

South Australia

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

Victoria

Suite 314,
697 Collins Street
Docklands VIC 3008

Western Australia

Level 28,
140 St Georges Terrace
Perth WA 6000

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.

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.