

AIA Group Risk Super Plan

Annual Report 2022

Fund

AIA Group Risk Super Plan (AROSS2 Fund), a division of the OneSuper
ABN 43 905 581 638 RSE R1001341

Promoter

AIA Australia Limited
ABN 79 004 421 638
AFS Licence No 230043
509 St Kilda Road
Melbourne, VIC 3004

Trustee and Issuer

Diversa Trustees Limited
ABN 49 006 421 638
AFS Licence No 235153 RSE Licence No L0000635

Registered Office

Diversa Trustees Limited
Level 9, 2 Southbank Boulevard
Melbourne, VIC 3006

Administrator

Insurance & Superannuation Administration Services Pty Ltd
PO Box 1305
South Melbourne, VIC 3205
Phone: 1800 844 992
Email: enquiries@iasas.com.au

Insurer

AIA Australia Limited
ABN 79 004 421 638
AFS Licence No 230043

CONTENTS

From the Trustee	2
About the AROSS2 Fund	2
Features	3
Employer's Contributions	3
2022/23 Superannuation	3
Thresholds	
Operation of the AROSS2 Fund's Reserves	3
Managing the AROSS2 Fund	3
Privacy Policy	3
News in Superannuation	3
More Information	4
Enquiries and Complaints	5
Abridged Financial Information	6

FROM THE TRUSTEE

We are pleased to present our Annual Report for the year ended 30 June 2022.

The report is issued by Diversa Trustees Limited ABN 49 006 421 638 AFSL 235153 RSE L0000635 (the Trustee) as trustee of the AIA Group Risk Super Plan (**AROSS2 Fund, the Fund**), a life insurance only sub-division of OneSuper ABN 43 905 581 638

The information provided in this report is in accordance with the requirements of the *Corporations Act 2001* and *Corporations Regulations 2001*. The information is of a general nature only and has been prepared without taking into account your investment objectives, financial situation and needs. Before making any decisions in relation to the AROSS2 Fund you should consider obtaining professional financial advice from a Licenced or authorised financial advisor.

The Directors of the Trustee during the year ended 30 June 2022 were:

Current as at 30 June 2022

Name	Date Appointed
Michael John Terlet AO	18 February 2021
Fiona Margaret McNabb	28 June 2019
Andrew John Peterson	28 June 2019
Ronald Peter Beard	18 February 2021
Vincent Plant	4 May 2017

Whilst all due care has been taken in the preparation of this report, the Trustee reserves its right to correct any errors or omissions. The terms of your membership in the Fund are set out in OneSuper's Trust Deed and any applicable insurance policy. Should there be any inconsistency between this report and OneSuper's Trust Deed, the terms of OneSuper's Trust Deed will prevail.

The Trustee holds professional indemnity insurance to protect the Trustee, its directors and the AROSS2 Fund against certain losses or liabilities. The indemnity insurance cover is subject to the terms and conditions of the relevant insurance policy.

ABOUT THE AROSS2 FUND

The AIA Group Risk Super Plan is a risk-only division of OneSuper. The Trustee of the AROSS2 Fund is Diversa Trustees Limited (the Trustee). AROSS2 Fund members have access to death and disablement insurance cover within superannuation on the terms and conditions summarised in the Product Disclosure Statement (PDS).

The AROSS2 Fund does not provide accumulation style superannuation account balances, nor investment returns to members.

- The Trustee accepts contributions to pay the premiums for death and/or disablement insurance cover on your life as a member of the AROSS2 Fund (**Core Insurance Plan**). The Core Insurance Plan is issued to the Trustee by the Insurer.
- A benefit amount will only be payable from the AROSS2 Fund if the Insurer pays a benefit under the Core Insurance Plan. The Trustee will pay the amount received from the Insurer, less any tax that must be withheld. All amounts are paid as superannuation benefits in accordance with the governing rules of OneSuper and

superannuation law.

- Membership of the AROPSS2 Fund is subject to the Rules of the AROSS2 Fund and the governing rules of OneSuper. Benefits are only payable under the terms and conditions of the Core Insurance Plan.

FEATURES

The insurance cover options available through the AROSS2 Fund are:

Core Insurance

- Life insurance – providing cover for death and terminal illness
- TPD insurance – providing cover for total and permanent disablement or ‘permanent incapacity’

EMPLOYER’S CONTRIBUTIONS

As benefits within the AROSS2 Fund relate to insurance only, members are not able to make any contributions or rollovers for accumulation purposes within the AROSS2 Fund.

2022/23 SUPERANNUATION THRESHOLDS

The superannuation contributions caps and various other superannuation thresholds that apply for the 2022/23 financial year are as follows:

Superannuation Threshold	
Low rate cap:	\$230,000
Concessional contributions cap:	\$27,500
Non-concessional contributions cap:	\$110,000
Capital Gains Tax (CGT) Cap (lifetime limit):	\$1,650,000
Government Co-contributions:	
- Maximum co-contribution ¹	\$500
- Lower threshold	\$42,016
- Upper threshold (cut off)	\$57,016

¹The Government co-contribution will reduce by 3 1/3 cents for every dollar of total income in excess of \$42,016, reducing to nil once your total income reaches \$57,016 in a financial year.

Details of the cap for later years will be available by calling Member Services on 1800 844 992. The contributions paid by participating employers for the cover provided under the AROSS2 Fund are classified as concessional contributions and are included in the concessional contribution cap. Contact the Australian Taxation Office on 13 10 20 or visit www.ato.gov.au/super for further information.

OPERATION OF ONESUPER’S RESERVE

Trustees of superannuation funds are required to establish and maintain an Operational Risk Financial Reserve (ORFR) which complies with prudential requirements to ensure that the Trustee has sufficient financial resources to provide for member and/or beneficiary losses arising from an operational risk event such as incorrect benefit payments due to human or system error, unit pricing errors and loss of data. The reserve is funded from fees and other costs. Expense recovery fees may include a transfer to the ORFR to meet this regulatory requirement. Please refer to the current PDS and Guides for more information.

MANAGING THE AROSS2 FUND

The AROSS2 Fund is set up as a division of a trust and is governed by a legal document called a Trust Deed. The Trustee responsible for running the AROSS2 Fund in accordance with the Trust Deed, is Diversa Trustees Limited (ABN 49 006 421 638 AFS Licence No 235153, RSE Licence No L0000635), which is a professional independent trustee. No penalties were imposed on the Trustee and/or any of its directors during the reporting period.

PRIVACY POLICY

We are committed to ensuring the confidentiality and security of your personal information. We will only collect, use and disclose this information for the purposes of processing and administering your accounts and providing services to you, unless otherwise required by law. We are bound by the Privacy Act and the National Privacy Principles, as regulated by the Federal Privacy Commissioner, to protect such information from misuse and loss, unauthorised access, modification and disclosure.

You can obtain a copy of the Trustee’s Privacy Policy at <https://www.diversa.com.au/privacy>, from the Privacy Officer by contacting the Fund on the details found at the back of this report.

NEWS IN SUPERANNUATION

There were a number of changes to the superannuation regulatory landscape during the 2021-2022 financial year. Some of the most significant changes were announced in the 2022 Federal Budget. The information below was compiled as at December 2022, and is subject to change. For up-to-date information relating to taxation of superannuation, go to ato.gov.au or contact the Fund.

Federal Budget

As part of the 2021-22 and 2022-23 Federal Budgets, the government announced several changes to superannuation rules:

Repealing the Work Test for Voluntary Super Contributions

Prior to 1 July 2022, if a member was aged 67 to 74 years old you could only make or receive voluntary contributions (both concessional and non-concessional) if you met the ‘work test’. That is, you must have worked at least 40 hours over a 30-day period in the relevant financial year. From 1 July 2022, this requirement has been removed.

Note: members may still need to meet the work test to claim a personal superannuation contribution deduction.

Eligibility changes to the bring forward arrangements

From 1 July 2022, if a member is under 75 years of age at any time in a financial year (previously 67 years of age before 1 July 2022) you may be able to make non-concessional contributions of up to three times the annual non-concessional cap in that financial year.

Note: Eligibility for the bring-forward arrangement depends on your:

- age, and
- total super balance on 30 June of the previous financial year.

Extending Access to Downsizer Contributions^A

Under the Downsizing Contributions Scheme, a member may be able to contribute up to \$300,000 from the proceeds of the sale (or part sale) of their home into their superannuation subject to certain eligibility criteria.

From 1 July 2022 the eligibility age changed from 65 years of or older, to 60 years old or older.

The government also has plans to further reduce the eligibility age to 55 years old or older in early 2023.

Note: Eligibility criteria for the Downsizer Contributions Scheme

include:

- Your home must be in Australia.
- You or your spouse must have owned it for at least 10 years
- the disposal must be exempt or partially exempt from capital gains tax (CGT).
- You must not have previously made a downsizer contribution

Increasing the First Home Super Saver Maximum[^]

The First Home Super Saver (FHSS) allows people to save money for their first home inside their super fund. Members can do this by making voluntary concessional (before-tax) and voluntary non-concessional (after-tax) contributions into their super. This can help first home buyers save faster with the concessional (lower) tax treatment of superannuation.

You can then apply to release these voluntary contributions, along with associated earnings, to help purchase your first home.

From 1 July 2022, the amount of eligible contributions that count towards the maximum releasable amount from \$30,000 to \$50,000.

Note: Eligibility criteria for the First Home Super Saver Scheme include:

- You need to occupy the premises you buy or intend to as soon as practicable.
- You intend to occupy the property for at least six months within the first 12 months you own it, after it is practical to move in.

Removing the \$450 per month threshold for super guarantee eligibility

From 1 July 2022, employers are required to make super guarantee contributions to their eligible employee's super fund regardless of how much the employee is paid, removing the longstanding \$450 threshold. (i.e. removal of the \$450 per month threshold). Employees must still satisfy other super guarantee eligibility requirements however to be eligible for employer superannuation contributions.

Increase in the superannuation guarantee from 10 per cent to 10.5 per cent

From 1 July 2022 the superannuation guarantee has increased from 10 per cent to 10.5 per cent.

Extension of the temporary reduction in superannuation pension minimum drawdown rates

On 25 March 2022, the government announced a further extension to the temporary reduction in superannuation pension minimum drawdown rates. The measure was introduced in 2020 as part of the government's response to COVID-19 and is being extended to the 2022–23 financial year.

The measure means members withdrawing money from their superannuation can continue to take advantage of the 50% temporary drawdown reduction from 1 July 2022 until 30 June 2023.

[^] Please note that AROSS2 Fund does not provide accumulation style superannuation account balances.

Re-contribution of COVID-19 early release superannuation

Members are able to re-contribute amounts they withdrew from their superannuation under the COVID early release of super program without the contributions counting towards their non-concessional contributions cap. These contributions can be made between 1 July 2021 and 30 June 2030.

Changes to fees and costs disclosure in the PDS and member statements

In an effort to make fees transparent and easier to understand for members, changes have been made to how fees and costs are disclosed in your annual statement and the Product Disclosure Statement (PDS) for all superannuation products. As a result of these changes, funds are now required to disclose fees and costs paid by third parties. These fees and costs are paid by third parties (such as a fund's parent entity) to operate the fund but are not paid by you. The inclusion of these costs in disclosures will provide a view of the total costs associated with running the fund. Note, this is a change in how these fees and costs are disclosed and does not represent a change in the fees and costs you pay from your total balance. Please refer to the fees and costs section of the PDS for more information.

MORE INFORMATION

Your benefit statement and the AROSS2 Fund PDS contain important information about your personal benefits and about the AROSS2 Fund. You are also entitled to request further information including the Trust Deed and rules, the latest audited accounts and auditor's report and the Trustee's Privacy Policy.

The Trustee is required to disclose certain information and documentation on a website. Accordingly, the Trustee's website (www.diversa.com.au/governance) contains the Trust Deed and further details relating to the Trustee of OneSuper, of which the AROSS2 Fund is a sub plan. The Trustee's website (<https://diversa.com.au/funds/>) contains the Product Disclosure Statement, most recent annual report, and any Significant Event Notices issued recently.

For copies of these documents, or if you want more information about your benefits, please feel free to contact the Fund's member services officers as follows:

AIA Group Risk Super Plan

PO Box 1305

South Melbourne VIC 3205

Phone: 1800 844 992

Email: enquiries@iasas.com.au

ENQUIRIES AND COMPLAINTS

Superannuation law requires the Trustee to take all reasonable steps to ensure that complaints are properly considered and dealt with within 45 days, or another timeframe imposed by legislation. If you have a complaint:

- contact the AROSS2 Fund on 1800 844 992, or
- contact the Dispute Resolution Officer of the AROSS2 Fund at enquiries@iasas.com.au

We will ordinarily respond to your complaint as soon as possible but within 45 days of receipt. If you are still not satisfied with our response, or we do not respond within 45 days (Death Benefit distribution complaints within 90 days), you may wish to refer the matter to the Australian Financial Complaints Authority (**AFCA**), an independent body set up by the Federal Government to review trustee decisions relating to individual members.

You can contact the AFCA at:

Australian Financial Complaints Authority

GPO Box 3, Melbourne, VIC 3001

P 1800 931 678

W www.afca.org.au

ABRIDGED FINANCIAL INFORMATION

Statement of Financial Position

This is an abridged summary of the AROSS2 Fund audited accounts for the year ended 30 June 2022.

	2022	2021
	\$'000	\$'000
Assets		
Cash	4,405	2,934
Other Receivables	5	343
Total assets	4,410	3,277
Liabilities		
Group Life Premium payable	2,314	2,540
Other payables	2,084	723
Total liabilities	4,399	3,266
Net assets available for member benefits	-	-
Members' benefits	-	-
Total net assets (liabilities)	11	11
Equity		
Reserves	11	11
Unallocated surplus (deficit)	-	-
Total reserves	11	11

Income/Operating Statement

	2022	2021
	\$'000	\$'000
Superannuation activities		
Total net income	-	-
Total expenses	-	-
Operating result	-	-
Income tax (expense) benefit	-	-
Operating result after income tax	-	-
Less net benefits allocated to members	-	-
Operating result after income tax	-	-

Statement of Change in Benefits

	2022	2021
	\$'000	\$'000
Opening balance of members' benefits	-	-
Contributions	16,020	11,902
After tax contributions	16,020	11,902
Benefits and Transfers Paid	(5,809)	(5,940)
Insurance premiums charged to members	(16,020)	(11,902)
Death and disability benefits credited to members	5,809	5,940
Net benefits allocated to members' accounts	-	-
Closing balance of members benefits	-	-

The full audited Accounts of OneSuper which includes the AROSS2 Fund together with Directors' remuneration and attendance record, and the auditor's report, are available for inspection on the Trustee's website at <https://diversa.com.au/funds/> and <https://diversa.com.au/governance/>.