

**MINUTES – ANNUAL MEMBER MEETING  
UNITED SUPER PTY LTD  
ATFT CONSTRUCTION AND BUILDING UNIONS SUPERANNUATION FUND  
HELD VIA VIDEOCONFERENCE  
27 November 2023 - COMMENCING 6.00PM**

<b>DIRECTORS</b>	Wayne Swan (Chair) John Edwards Rita Mallia Anne Milner Ray Sputore (proxy for Hedley Davis) Abha Devasia Kade Wakefield Dave Noonan Jason O'Mara Earle Setches Michelle Beveridge (proxy for Denita Wawn)
<b>OTHERS PRESENT</b> (for all, or part thereof)	Kristian Fok, Chief Executive Officer Marianne Walker, Deputy Chief Executive Officer and Chief Member Officer Wade Martin, Chief Risk Officer Nancy Day, Chief Operating Officer Natalie Hannemann, Chief Transformation Officer Brett Chatfield, Chief Investment Officer Alexandra West, Chief Strategy Officer Justine Hartman, Chief People Officer Richard Boyfield - Mercers Luke Slater – Ernst & Young
<b>MINUTES</b>	Maxine Jacona, Head of Governance & Company Secretary
<b>APOLOGIES</b>	Denita Wawn, Hedley Davis, and Stephen Dunne

### **Annual Members' Meeting Opening**

Alexandra West, Chief Strategy Officer, opened the Annual Members' Meeting for financial year 2022-23, welcoming members and acknowledging the traditional owners of the land, noting that our members and projects touch many parts of country where local Aboriginal communities have been custodians for many centuries. She noted that we acknowledge their living culture and the unique role they play in the life of these regions. She also acknowledged that wherever members were zooming in from across the country, that we are all on traditional lands and she paid respect to elders, past, present, and emerging. She also acknowledged all other cultures present.

Advising about the conduct of the meeting, and the necessary formalities, the Chief Strategy Officer noted that attempts would be made to answer all questions in the forum, and for any questions which could not be answered, members would be contacted via email, and that a recording of the meeting would be made available on fund websites. A financial advice warning was also provided.

### **Presentation**

Wayne Swan, Chair, welcomed members, especially those who came from EISS Super, noting that this was the first Annual Members' Meeting since the merger.

The Chair gave some background on superannuation, commenting on the strength and success of Australia's superannuation system for all Australians. He referenced the history of Cbus as the Fund's 40th anniversary approaches, and the foresight and leadership shown by pioneers such as the late Tom McDonald. The Chair emphasised Cbus' purpose, being the achievement of the best possible retirement outcome for members.

The Chair noted that Cbus invests responsibly and that its Growth (MySuper) option achieved a return of 8.95% for this financial year; 8.89% since inception and over the past 10 years the average annual return is 8.27%.

The Chair remarked that one of the great strengths of the Fund was its investments in industries where its members worked, noting that Cbus Property, wholly owned by Cbus, has created over 100,000 jobs since 2006 and returned an average of 14.9% per year for members.

The Chair summed up that Cbus invests for the benefit of its members and also in nation-building assets such as crucial national infrastructure and landmark renewable energy projects like Star of the South. Cbus' investment in Fulcrum has supported the creation of some of Australia's top film and television programs, keeping our members in that sector in work, and making a strong contribution to our culture.

The Chair acknowledged that some members have experienced unacceptably long delays in claims processing. He wanted to assure those affected that the Board is focused on fixing this issue.

It was noted by the Chair that there have been some changes at the Fund. Justin Arter stepped down from his role as CEO. The Chair and the Board thanked Justin Arter for his role in growing the Fund. The Chair also welcomed the appointment of Kristian Fok as CEO, Marianne Walker, Chief Member Officer and Deputy CEO and Brett Chatfield as Chief Investment Officer.

Kristian Fok, Chief Executive of Cbus welcomed attendees, Directors and sponsoring organisations to the Cbus Annual Member Meeting for financial year 2022/23.

The Chief Executive provided introductory remarks and background, outlining the benefits of the recent merger of EISS with Cbus. The Chief Executive provided metrics of the size of Cbus and the level of returns and benefits to its members over the long term.

The CEO provided a snapshot of the year:

### *Highlights of 2023*

- Over 894,000 members, up by 5.86%
- \$85.3 billion in funds under management
- 8.95% Growth (My Super) option, however 8.89% Growth (MySuper) annual average return since inception
- Strong long-term performance with our Growth (MySuper) option ranked in the top quartile of comparative funds rated by Super Ratings over 7, 10 and 15 years as at 30 June 2023
- In May 2023, another successful merger was completed, this time with EISS Super, a New South Wales based fund for workers in the energy and electrical sectors. This merger makes Cbus the leading fund for members in this sector

### *Putting Members first*

Cbus is committed to supporting members in what is sometimes, insecure work.

- Unpaid super is a focus. \$126.4 million was recovered for members for the financial year, an

- increase over the prior year of 19%
- Great utilisation of Cbus tools including the Payment Checker App where there were 26,248 searches completed, a 70% increase on the previous year

Providing relevant services to members is critical to ensuring members are well prepared for retirement. Key member initiatives include:

#### *Face to Face servicing – the Cbus point of difference*

- During the year, our Coordinators conducted 3,728 workplace visits, over 14,080 one-on-one member appointments
- 4,183 members visited our offices
- Cbus' seminars and support team engaged with 7,900 members through education sessions
- We held 326 superannuation education sessions on various topics such as investment, insurance, boosting your super as well as 82 retirement planning webinars

#### *Affordable Insurance*

Cbus provides members with affordable insurance enabling financial protection for them and their families during their working lives. In 2022-2023, 2,849 claims were paid, resulting in total benefits of \$296.6 million.

Claim acceptance rates at Cbus are at almost 98% of all insurance claims accepted over the last three years (to 30 June 2023), a market-leading result.

Strong advocacy from Cbus has helped 212,265 members retain automatic insurance cover since 1 April 2020, resulting in 467 dangerous occupation exclusion claims paid totalling \$58.6 million in benefits.

#### *Advice – getting ready for your retirement*

Cbus provides advice and education for members throughout their working life and then in retirement. Cbus' team of advisers aim to assist members so they can manage their super and maximise their retirement outcomes.

The Advice Team held over 20,600 conversations with 872 referrals to financial planners. These services have been extended to Media Super members, with 1,742 members taking advantage of this.

#### *Service*

The Chief Executive also noted that some members have experienced slow response times when calling to speak with us and not getting the help when they need it. Members have experienced delays in the processing of claims and have expressed frustration at our complicated and inefficient processes.

The Chief Executive apologised to members, saying how deeply sorry we were for the stress and anxiety caused by delays experienced by our members and their loved ones. He advised that there has been a focus on remediating these failings and building a more sustainable service model for the future.

It was expressed by the Chief Executive that this is not the standard of service that Cbus expects of ourselves or that our members expect from us. There was confirmation that significant additional resources have been put in place and a program of work has been implemented to improve our service delivery for members. Consideration is also being given to what more can be done for those affected by unacceptably long delays in the processing of their claims.

## *Awards and recognition*

Cbus has been honoured with a number of awards and recognised with ratings as outlined in the presentation.

The Chief Executive noted that as Cbus moved into its fortieth year, that we are continuing to work hard each and every day to improve ourselves and to maximise investment returns to ensure that members' hard work pays off in retirement.

The Chief Investment Officer, Brett Chatfield, provided an update on Cbus' investments.

He noted that Cbus currently manages approximately 40% of the Fund's investments internally and expects this to grow to around 50% over the next 5 years. Internalisation has also contributed to significantly reducing investment fees and costs by over 40%. Members' funds are invested across a wide range of asset classes, including shares, property, infrastructure, private equity, alternative growth, credit, fixed interest, and cash.

He noted that a unique strength of Cbus is the rich knowledge and understanding that our Board and industry partners bring to the Fund about their industries. Cbus also continues to support Media Super members in the print, media entertainment and arts industries through our ongoing loan facility with Fulcrum Media Finance.

The Chief Investment Officer advised that Cbus invests directly in local manufacturing, and since 2019 has lent over \$1.5 billion dollars to a variety of Australian businesses through our internal debt portfolio.

Cbus also assisted with the creation of the Bond Aggregator Model for the National Housing, Finance and Investment Corporation and is one of the largest individual supporters of the National Housing, Finance and Investment Corporation.

Responsible investment is considered across all asset classes which helps Cbus to manage risk, but also presents opportunities through climate change and energy transition. Cbus' key areas of focus include climate change; human, community and labour rights, including modern slavery, workplace, safety, and first nations as well as important work in the built environment. The Chief Investment Officer commented that these areas are aligned with our members' best financial interests. Cbus' commitment to managing climate change continues to evolve, ensuring minimisation of climate risks, whilst also maximising climate opportunities and supporting the transition to a low carbon economy.

## *Cbus Property*

- Has grown its portfolio of \$0.5 billion in 2006 to \$6 billion in 2023, with a further \$5 billion of work underway
- For the financial year 2022-2023, Cbus Property achieved a positive return of 0.5%, which was in contrast to industry benchmarks which showed an average negative return of minus 1.3%
- Its average return since inception is over 14% per annum
- Cbus Property's office portfolio achieved net zero operating carbon status in 2022, 8 years ahead of its 2030 target

Brett Chatfield confirmed that Cbus was always focused on outcomes, the key outcome being to continue to deliver strong risk adjusted net returns for members.

## **Questions and Answers**

The Chief Strategy Officer thanked the CEO and CIO for their presentations and noted that the Fund had received a number of questions from members that would be addressed by the Fund's senior leaders, starting with the CEO.

The Chief Executive responded to a number of members' questions on a range of topics, which he

addressed in sequence:

1. ***I need to claim \$10,000 for financial hardship from my superannuation fund as I am falling behind on my mortgage and rates.***

I am sorry to hear this and we understand that times are tough for many people.

There are specific circumstances in which people may be able to claim in times of financial hardship under superannuation law there are eligibility conditions that members must meet to be eligible. You must be on Commonwealth Government income support payments for a continuous period of 26 weeks and you are also unable to meet reasonable and immediate family living expenses.

For further information, the member was advised they can call our information line on 1300 361 784 or visit our website, which contains all of the necessary information and forms, noting we are here to help.

2. ***How do we get payment from the Government because of extra payments we put into Super?***

Our understanding of this question is that the member is asking about tax deductions. In relation to that, there are two ways you can claim a tax deduction for additional contributions:

1. Use the ATO Notice of Intent to Claim or Vary a Tax Deduction Form which is available at: [ato.gov.au](http://ato.gov.au); or
2. At the end of the financial year, complete a Cbus Notice of Intent to Claim a Tax Deduction for Personal Contributions to Super. Once that is completed and returned to us, we will then provide you with the eligible amount, and you can use this information to lodge your tax return.

Further information is available on our website: [cbussuper.com.au](http://cbussuper.com.au)

### **3. Governance matters**

*Considering we, the members of Cbus are like shareholders, why don't we get a say as to who is elected on the board?*

*Why doesn't Cbus management take into consideration that the majority of Cbus members do not belong to a union, and why are those members forced to be represented by Union representatives?*

*Given their significant contributions to the Fund, why don't the electrical communications and refrigeration and air conditioning industry employers have representation on the Board?*

Following a long campaign by unions, Cbus came about as part of the move to create industry funds in the 1980s to ensure that all working people had rights to superannuation.

The unions and employer associations who are trustees of the Fund were the organisations who established Cbus.

The Board consists of 14 directors in accordance with the company's articles of association. The Board is comprised of an equal number of member and employer representative directors. There are 6 directors who are nominated by member associations and 6 directors who are nominated by employer associations. These member and employer associations are shareholders or sponsoring organisations of the Fund. There are also 2 independent directors who are appointed by the Board. One of the Independent directors is the Chair of the Board.

One of the factors attributed to the success of Industry funds is the equal representation model. Cbus has been well served by this model which provides enhanced accountability to members and beneficiaries of the Fund.

All directors are subject to the same duties to exercise their powers and perform their duties in the best interests of members.

Any alteration to this governance structure would require a full agreement of all shareholders to amend the Fund's articles of association.

It is important to highlight that members are not shareholders, and the shareholders or sponsoring organisations do not receive any dividends, as Cbus is an all profit to member fund.

Cbus works closely with governments, employer groups, and unions and always strives for the best possible member outcomes to ensure that decisions are taken in the best financial interests of all members, whether they are members of unions or not.

#### **4. Can the Board provide details of how Media Super's fees compare with other funds?**

First of all, I'm pleased to advise that our fees have actually gone down since the Media Super merger from 1 July 2022. The account keeping fee went from \$2 per week to a \$1.50 per week. Media Super members also saw a decrease in their fees when they first joined Cbus immediately following the merger last year.

In relation to investment fees, as Brett Chatfield has said in his presentation, our internalisation strategy has contributed to a significant reduction in investment fees, putting more money into members' accounts.

In terms of comparisons based on an account balance of \$50,000, and including administration and investment fees and costs, the annual fee for Media Super is \$47 lower than the average super fund.

The mergers of Media Super and EISS with Cbus has delivered the benefits of scale for members of these Funds who are now a part of Cbus.

#### **5. Is it time for new blood in the leadership?**

There has been a change of leadership in the Fund this year. I was appointed CEO in June after acting in the role for 3 months following Justin Arter who stepped down at the end of March.

Marianne Walker, Chief Member Officer became the Deputy CEO. In September, a new structure was introduced, including new leadership roles. This was done in order to deliver a refresh strategy to meet the challenges we face and the needs of our members in a growing Fund. It's important that we align our operational capabilities so that we can set ourselves up for the future growth and continued long-term investment performance.

I'm proud to say that we've been able to identify talent from within Cbus as part of the leadership development within the Fund. This has enabled us to provide continuity and alignment with our values and culture as a member-centric specialist Fund.

As I said earlier, I've been with the Fund for almost 11 years and Marianne Walker has been at Cbus for 5 years.

There have also been some changes at the Board Level this year as well. We have had some departures and new appointments last year and in this financial year. Frank O'Grady, Misha Zelinsky and Anne Donnellan left us, and I'd like to thank them for their service on the Board. New appointments include Abha Devasia, Kade Wakefield and the return of Dave Noonan. Rita Malia has also been appointed as the Deputy Chair. This demonstrates a strong mix of experience and new blood.

#### **6. Why are we donating large sums of money to union organisations that have known links to Communist organisations such as the MUA? Would this money be better spent on investments to provide a better return for members? Should these donations be subject to members' approval before they are issued.**

We do not make donations. What we do have is partnership agreements with our industry partners. This includes shareholders who comprise both employer and trade union organisations. Cbus' partnership arrangements with employer associations and unions assists in our strategy for attracting and retaining members. They are a cost-effective way of engaging with members and attracting new members.

Engaging current and prospective members enables us to improve members' retirement outcomes, meet our growth objectives and build scale which benefits all members. We also have partnerships to improve health and well-being outcomes for our members, for example, around mental health and suicide prevention.

Cbus has robust processes for managing partnerships. These processes were scrutinised by the Hayne Royal Commission and the final report made favourable observations of the framework that we use.

All of the Fund's expenditure on promotion, marketing and sponsorship arrangements are available on our website and all is spent in the best financial interests of our members.

**7. *I'm interested how investment strategies being used now, and in the future, explain the financial losses of 2021-2022. How Cbus will ensure it doesn't happen again. Also, can you send financial statements earlier and accurate performance results.***

In financial year 2021-2022, investment returns across the superannuation industry were impacted by a large range of global factors. Rising inflation caused the Reserve Bank of Australia and central banks overseas to raise interest rates. The Russia/Ukraine crisis impacted energy, gas and commodity markets and the COVID-19 pandemic continued to put pressure on global supply chains. The combination of these events increased market volatility and negatively affected short-term investment returns across a wide range of investment and asset classes.

Super is your savings for retirement, though, so unlike a bank account, we aim to grow your savings over the long term, and to do so quite materially. To achieve this, each investment option invests a portion of its assets in a range of growth assets such as Australian shares and international shares. Growth assets typically offer higher, potential, long-term returns, but also come with a wider range of possible outcomes, including the possibility of negative returns.

In relation to the 2022 financial year, this was one such year, where we saw many growth assets deliver negative returns for members. This did, though, follow a record year in 2021, where the Growth (MySuper) option returned 19.34%, its highest return since inception.

In addition, in the 2023 financial year, the Fund returned 8.95% for our default Growth, (MySuper) option and as a result, even with that small negative year, the 3-year average annual return was 7.76% per annum.

Depending on your investment option, the likelihood of experiencing a negative return over a one year period will vary. For instance, our Growth (MySuper) option is expected to deliver a negative annual return 3 to 4 times over a 20 year period. We've had 3 in the last 20 years and 4 since inception.

In terms of the strategies we use, first and foremost, we adopt a highly diversified approach with a mix of growth and defensive assets. This includes shares - Australian, global and emerging market shares, infrastructure and property, global credit, private equity, alternative growth, fixed interest and cash.

We take a largely active approach, using a mix of internal strategies where our teams manage those strategies within the Fund and external investment managers. This is all aimed at generating excess returns above the market benchmarks.

We'll also tilt the overall portfolio between asset classes. For example, we might be overweight or underweight shares, and we also undertake a variety of other activities aimed at optimising the portfolio

going forward. We continue to invest in our internal capability and to partner in a smart way with global partners. This includes how we undertake co-investments in areas like infrastructure and private equity.

We also retain a very strong competitive advantage in property, and notwithstanding some short-term headwinds in the property sector, we remain positive on the long-term outlook.

Turning to the distribution of statements - that's really a function of 3 things.

Valuation of the Fund's investments to ensure we can work out the annual crediting rate for each investment option very accurately. Collation of all the member details, such as insurance cover, beneficiaries and the transactions for the year; and fulfilment of numerous checks and balances to ensure the accuracy of the information presented to you.

Each year we strive to send out your statement as quickly as we can. We believe that providing you a statement that you can trust is more important than getting statements to you more quickly. In broad terms, our member statement mailout begins towards the end of September and goes through to the end of October.

We assume that the request for more accurate performance results refers to the statement members receive which details results at the end of the financial year and as members receive the statements a few months after the end of the financial year, performance figures may have shifted. So, it's important to point out that all members can check their balances at any time, either online or through the Cbus Member App.

#### **8. *Can I hear a bit about your long-term investment strategies as super is a very long-term focused investment?***

Our investment strategy generally reflects a medium to long-term outlook. The Fund invests a portion of its overall assets in a range of growth assets - as I mentioned - Australian shares, international shares, and key asset classes like infrastructure and property.

This year we have also developed a new 5-year investment strategy that's continued to build our internal investment capability and as at 30 June 2023, we managed approximately 40% of our assets in-house. These efforts are designed to continue to deliver strong, long-term returns and importantly, reduce investment fees. Our investment costs to that end, have declined over 40% overall since 2017.

Our long-term investment strategy is focused on being highly diversified, growth orientated as we're seeking strong, absolute returns for members, and with a material allocation to key unlisted asset classes, including property and infrastructure, where the Fund has great expertise.

We are also very much active investors, with a strong focus on delivering sustainable long-term returns.

#### **9. Performance**

*Why has Cbus performed badly in the September quarter?*

*Why is Cbus Super performing so poorly?*

*The Growth (My Super) option has returned negative 0.5% for the September quarter.*

After a strong first half of 2023 which assisted the Growth (MySuper) option to return a healthy 8.95% for last financial year, share markets fell in the September quarter because markets became worried that central banks, like the Reserve Bank in Australia and the US Federal Reserve, would have to keep interest rates higher for longer, to bring inflation under control. Both Australian and global share markets were weaker during the quarter. The change in outlook for interest rates also negatively impacted global bond markets, causing bond yields to rise and returns to be negative. Property returns were also negative for the quarter, as we continue to see some pressure on property valuations.



However, since late October, the likelihood is that the US Federal Reserve has finished hiking interest rates has increased, resulting in a sharp rebound in both global shares and bond markets. As a result, the Growth (MySuper) option is now in positive territory for the financial year up 0.5% this financial year to date to 23 November.

The team and I continue to focus entirely on driving strong returns for the portfolio, as has been the case over many years.

It's also worthwhile to highlight that our average annual return for our Growth (MySuper) option over the last 39 years to 30 June 2023 is 8.89%, and, as was mentioned earlier, we are in the top 5 best performing funds over the last 10 years, according to the SuperRatings fund crediting rate SR50 Balanced survey.

#### **10. *Why is my super balance lower than it was 3 years ago?***

Whilst it's not possible for me to give specific advice around the circumstances of any particular member's account, what I can say, though, is over the last 3 years we have generated an annual average return of 7.76% per annum in our Growth (MySuper) default option to 30 June 2023. This includes, as I mentioned earlier, a record year in 2021 of 19.34%, a moderate negative return of -3.77% in the 2022 year, and then, most recently, an 8.95% return in the 2023 financial year.

This 3-year return may not be the same as a return on your individual member account though, due to a range of other factors, including the timing of any investment option switches and/or transactions that have occurred in your account during this period. Transactions can also include contributions, withdrawals, admin fees, or insurance premiums.

It's also important to note that EISS merged with Cbus on 12 May 2023, and the historical performance of the Cbus Growth (MySuper) option does not incorporate the performance of any previous EISS investment options prior to that.

The member is always welcome to check their investment option by contacting our advice services team, which is part of our service, and available to you at Cbus at no additional cost. They are best placed to look into your account and provide specific member level guidance.

#### **11. *Could I track my balance and where it is invested?***

Most members are invested in our Growth (MySuper) option, which is the default investment option for accumulation members. This is a well diversified portfolio that invests across a range of asset classes that I've mentioned - Australian shares, global shares, Australian and global fixed interest, global credit, private equity, infrastructure, property and cash.

To stay on top of your super, members can create a secure online Cbus account, or for quick and easy access to your super, you can download the Cbus Mobile App.

In respect of our holdings, data is also made available on our website twice a year providing members with granular details on all of our individual holdings.

#### **12. *How is Cbus investing in future industries like renewables and future jobs for members?***

This is a critical area for Cbus. Cbus has significant investments in asset classes that employ members from the building and construction sectors. This is most notably through Cbus' investments in infrastructure and property, which together comprise about a quarter of all our investments for infrastructure.

Approximately half of our portfolio is invested in Australian assets. This includes greenfield projects, such as Star of the South which is located in Victoria, and is expected to be Australia's first offshore wind farm, and to create up to 2,000 direct jobs over its lifetime.

Other key investments in Australia include airports, seaports, transmission and distribution networks which support a large number of roles for our members, particularly within the energy transition sector.

Over 85% of our property is invested in Australian assets. This includes new property developments across office, industrial, retail, and residential. The majority of our property development is undertaken by Cbus Property, a wholly owned entity of Cbus.

As has been mentioned, Cbus Property has created over 100,000 jobs in the property and construction sector over the last 16 years, and is expected to continue to support the creation of further jobs as it invests in new property developments right across Australia.

**13. *With the increase in work from home for office workers, will Cbus be left with stranded office space assets?***

That's a very good and a very timely question. We do not expect Cbus to be left with stranded office space. Despite the increase in flexible working arrangements, we are very much aware of the trends in property use, and actively manage our portfolio to adjust for market trends, and thus manage the risk of stranded assets.

Our property portfolio is very well diversified with exposure to a range of sectors in Australia and overseas, including office retail, industrial, residential, and quite specialised assets in our Australian office portfolio. We focus on owning premium office assets which provide a high level of service and amenity for tenants. Tenants are seeking office space with strong sustainability credentials and moving out of lower quality office assets with low environmental ratings and into premium spaces.

As a result, tenant demand is relatively strong for premium quality space, and in many instances, we are seeing tenants requiring the same or more space to provide increased areas for staff collaboration meeting rooms, quiet rooms and staff amenity than prior to what existed pre-Covid.

In addition, we are also seeing a trend for staff to increase time in the office compared to the period immediately post-Covid, with many businesses requiring Staff to attend the office more regularly. This trend of returning to the office was recently supported by the Fair Work Commission, which found that employees being in the office could have significant benefits for productivity and collaboration.

As is the way in which work evolves, we will continue to monitor the market environment across all sectors and seek to adjust the portfolio where appropriate overall, though we are very confident we have a very high-quality property portfolio.

**14. *What percentage of our super is invested overseas?***

The Growth (MySuper) option, the default option again for accumulation members, invests in several overseas asset classes, including global shares, emerging market shares, global credit and global fixed income or global bonds. Some of our investments in global shares include the likes of Amazon, Apple and Microsoft, and in our emerging markets portfolio, companies, such as Samsung Electronics and Alibaba. We also have offshore investments in asset classes, such as infrastructure, private equity, alternative growth, and property. Some of our infrastructure investments include Indiana Toll Roads in the United States, and Fourth Ports in the UK.

As at 31 October 2023, approximately 44% of our Growth (MySuper) option was invested overseas.

**15. *Are the investments being done in infrastructure projects similar to what Transurban does?***

Absolutely. Cbus invests in a wide range of infrastructure assets, including toll roads and our overall infrastructure portfolio is currently valued at over \$10 billion.

Similarly to Transurban, our portfolio includes both operational brownfield assets as well as new greenfield developments. However, our portfolio is more diversified, and also includes airports, seaports, energy, generation transmission and distribution utilities and telecommunications, assets. With respect specifically to toll roads, we hold assets both in Australia and offshore.

Some examples include the Eastern distributor here in Australia, Indiana Toll Roads, as I mentioned in the US, Aliectia in Mexico, the M6 in the UK, and Atlas Arteria listed here on the Australian stock market. Finally, we also invest directly in Transurban via its shares.

**16. *My holdings are all in your cash portfolio. Earnings are well below what's readily available from bank term deposits. Appreciate your comments.***

Our cash investment option typically invests across a range of investments such as bank deposits, money market investments, term deposits, short term debt securities and has been designed to suit members who want to avoid negative returns, but also understand that expected returns over the long term are likely to be lower than our other investment options.

Importantly, though, the returns from our cash option are historic, reflecting the very low interest rates over the last 10 years, but especially from that period from 2020 through to mid-2022. The term deposit rates that we're seeing right now are future facing rates, and as such are not comparable to previously observed returns our returns, also are net of fees and net of taxes, with tax in particular, having a meaningful impact on return.

Finally, but quite importantly, our cash option is designed to be highly liquid, to allow members to switch in and out of the option on a daily basis, and also to draw down in the pension stage. As such we cannot hold too much exposure to illiquid term deposits. We do have around 6.5% currently in term deposits in the cash option. And the overall cash option currently has a yield of around 4.66%, and it's performed very well versus both the bank bill index and the RBA cash rate.

It's also important to note and to remember that we offer a broad range of investment options so members can make a choice that suits their goals and their risk profile.

Marianne Walker, Deputy CEO and Chief Member Officer answered a number of member accumulation and retirement questions.

**17. *How can Cbus help members who are close to preservation age plan to retire?***

We're very active in assisting members planning to retire. Our websites have a lot of information and tools to help with that. We also hold retirement planning seminars that cover all things that you need to consider when you're thinking about retiring.

You can register to attend one of our seminars on our website. We held a seminar just prior to tonight's meeting, which I hope you were able to go along to. Our seminars cover topics like: "Will you have enough for the retirement that you want?", and provides members with tools to help work out how long you'll be able to sustain your current way of life and enjoy retirement.

They also cover things like keeping your money working for you in retirement with details of available retirement products and investment options, and about how the aged pension works and how it can work for you with your super.

You can speak to one of our advice team members as well. It's a free service as mentioned before, and can really assist members to seek the general advice they need. And if you need more comprehensive financial advice, our advice services team can also refer you to a financial planner. Available by calling 1300 361 784, or if you prefer to speak to someone in person, you can visit one of our front counters in Brisbane, Adelaide, Perth, Melbourne or Sydney.

## **18. Member-specific questions**

In relation to a number of questions received from members and employers, we've contacted these people individually, to address their concerns. We're happy to report that their problems have been resolved. The questions were:

*Can I have my details corrected, please.*

*Why was my employer not advised and provided with my new Cbus account number following the merger that was the EISS merger. I need to transfer my super into my new account.*

*My business has been transferred from EISS to Cbus. The process was not seamless, and months later I still cannot speak to anyone at Cbus, despite Cbus accepting July super payments. My question is, what has Cbus done with the money that they have received, that I cannot speak to anyone at Cbus about, and is Cbus a super scam.*

As mentioned, we have contacted the members (and employer) in this instance. It's important to note that any member who needs to make a correction to their details or transfer money from to or from an account should go online into the member portal or call us on 1300 361 784.

Employers can also call that same number and follow the prompts and be put through to the right area. Members can also visit our front counters that I mentioned before. If it's convenient to you, and in relation to the last question, I can assure you we are certainly not a scam, but we apologise that this employer had trouble speaking with someone at Cbus. This is related to the administration issues that we are working hard to resolve. Again, I encourage any employer who has issues with using the online function to call us and speak to a member of our dedicated team on the number spelt out before.

### **19. *Is there any possibility of regaining the \$170,000 that has vanished from my super account since March 2020?***

We have reached out to this member and discussed the particular circumstances of their account. The member was previously with EISS and experienced 2 years of negative returns, and they also withdrew over \$200,000, which explains the drop in value. So the Fund has also offered the member investment choice advice.

## **20. Overseas residents**

*We've have lived back in the UK since 2009. We were in Australia for 2 years, as my husband was sponsored and came over with a permanent resident visa, and we have no intention of returning to Australia. Are we able to transfer to UK? What options do we have?*

*My contribution has started from this year, July 2023. Will I get my funds when I'm living in Australia? Currently, I'm on an international relations sub class visa.*

If you've worked in Australia on a temporary visa, you can withdraw your super. If your visa has expired or been cancelled, and you've already left Australia, you need to make a claim within 6 months of leaving Australia, and you cannot access your super while living in Australia.

If you're an Australian citizen, leaving permanently, the same rules apply to your super as if you're living in Australia. So this means your super must stay in your account until you're eligible to access it.

### **21. *Is Cbus going to have a dedicated call Centre for SIS members?***

We do have a dedicated option for super income stream accounts. When members contact our contact centre members are asked for their member number and that's followed by a request to confirm their account, and then they can press 2 for super income stream accounts and speak to an advisor who can deal with their particular needs.

**22. Could we have refresher seminars to highlight changes in superannuation also measures to protect our super during world instabilities?**

We actually do hold member webinars every year around the time of the Federal Budget to highlight any changes in superannuation. Our volatility webinars also provide information about how to protect your super, and you can register for these webinars online. We publicise our seminars 3 months in advance. Again, our website has some really good information about market volatility and some videos.

**23. In the financial year of 2022-2023 financial year, the reported average year earnings for my income stream investment choices were considerably above my investment earnings for the year. I've spoken to numerous Cbus financial advisers over the last 4 months with no answer given to my query, please provide an explanation.**

In relation to the investment returns for your account last year financial year, I understand that this member has been subsequently spoken with by a member of our team. We've explained and resolved the inquiry.

We really do apologise that we weren't able to provide that in a more suitable, timely manner, and please feel free to contact us if you have any further questions.

**24. So if we're making an online request for a benefit, is it possible to get earlier confirmation that the media super staff have received my request? Until recently I would have received a letter by post confirming the benefit amount was being processed. Of course I could always call the customer service number to see if my benefit application has received been received online from a risk point of view. I'm concerned that if this protocol is across the system, there is a time delay between the application being sent online and confirmation to the applicant that is being received which could be exploited by unscrupulous player by an unscrupulous player.**

I can advise that when a member submits a benefit application online, we send a confirmation SMS to the member once the benefit has been processed.

The SMS requests that the member contact us if they do not receive the benefit payment within two days. However, if we do not have a member's mobile number on file, then no SMS is sent.

When a member submits a benefit application via email, we send the member an acknowledgement that their request has been received, and for all benefits or benefit requests. Letters are sent to members once their benefit payment has been processed.

The Fund has risk-based controls and processes in place to protect our members' accounts from fraudulent activity, and to assist the Fund with adhering to its regulatory obligations.

**25. Are there any plans to provide a single individual member number and separate product policy numbers so multiple policy owners can have a single log in to manage their super income streams?**

We are currently focused on simplifying login and navigation of products to make it easy for members who have both a single product and those that have multiple products. So that is a work in progress for us.

## **Closing**

In closing the Annual Members' Meeting, the Chief Strategy Officer advised that it was a pleasure to speak with members, and the engagement with members through this and other forums continues to remain especially important to the Fund. She thanked members for joining the meeting.

The Annual Members' Meeting closed at 7.11pm.

