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A message from our Chair, Steve Bracks

This year has been unlike any we have experienced.

Inspired by you

As the global COVID-19 crisis challenged the health of the world and then the health of its economies, Cbus was quick to respond. We were inspired by you, our members, who continued to build Australia, while all but essential services went into lockdown.

We developed a comprehensive strategy to manage through the crisis. Key to its success was to understand that members in real need may require access to their super, while at the same time continuing to focus on the needs of members investing for their long term retirement.

At the same time we put processes in place to maximise opportunities to contribute to the economic recovery through investment.

Leading the recovery

Cbus has always been committed to its members and to investing in our industry, to deliver strong returns and ensure a vibrant and thriving building and construction industry, which many of our members are employed in.

For example, Cbus Property has created over 100,000 jobs for building and construction workers since 2006*. By investing back into the economy and funding development projects across the country, Cbus continues to support member jobs and help get the economy back on track.

Earlier this year the South Australian Government announced a $300 million office tower at Pirie Street, Adelaide which is being built in partnership with Cbus Property. This development will support 2,000 jobs and is an important addition to Cbus’ existing portfolio of high-quality properties.

We believe Cbus’ investments are likely to contribute to the creation of around 100,000 Australian jobs through this recovery.

While this has been a challenging year for super, we’re well prepared to weather the storm and move into the future stronger than ever.

For more information on upcoming Cbus Property projects and how they will support Australian jobs, make sure you read our update on page 5, and at cbussuper.com.au/road-to-recovery.

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Thank you from David Atkin

Earlier this year I announced that I will be leaving Cbus in 2020 after 12 years as CEO. I initially planned to leave mid-year, but then COVID-19 began to have its significant impact on us all. After reflecting on the disruption the pandemic would have, I decided to stay on longer to provide stability during the crisis.

It has been an honour to serve you, our members.

Cbus has grown from a $13 billion fund in 2008 to a pool of $54 billion of our members’ retirement savings. Cbus continues to innovate, doing more of our investments in-house to deliver better retirement outcomes for members and continuing our expert focus on investing in the built environment. We have also been working hard to improve the ways we serve you including an improved online experience, member statements which tell you how your retirement savings are tracking and the ongoing dedication of all our front-line staff.

As I hand over the reins to Justin Arter, I know Cbus has an incredibly bright future ahead of it. Thanks for placing your trust in us and I look forward to reading Justin’s update in the next edition.

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*Estimated jobs since 2006 to June 2020 based on inductions for completed and committed developments.
Leading by example

Cbus member and Senior Site Manager Gabriel Wickett knows how to make the most of an opportunity.

Gabriel’s proactive approach to work started straight out of school, when he sent letters out to local builders to secure his carpentry apprenticeship. It wasn’t long before he was project managing jobs, and paying it forward – in the early days he supported three apprentices through their training.

After spending some time contracting, he got the chance to try the managerial side of the industry and hasn’t looked back. He is currently Senior Site Manager for Jaytex Constructions in Darwin, and he enjoys working to get the best out of his team.

Many new tradies come to sites straight out of uni, so he helps them balance their textbook knowledge with his practical experience and industry know-how.

“Everyone contributes to teams with different attributes. And that’s how you build a good team for these sites,” he said.

Managing through the pandemic

His leadership and hands-on experience has served him well in coping with the changes brought by the COVID-19 pandemic.

“Health and safety has always been a pretty strong area of mine… you’ve got your everyday controls and practices in place anyway, so COVID was just another control on top of that.”

Gabriel has made good use of ‘toolbox talks’ with his team, making sure they know exactly what’s expected of them, and how they can stay safe and keep working.

“I always explain to the guys that if we’re not seen practising what we should, then [the Government] may close the industry down, so it’s in their best interests to be doing the right thing.”

“Cbus is there for the industry, and I’m part of the industry, so it just makes sense.”

Keeping one eye on the future

Despite the current uncertainty in investment markets caused by the pandemic, Gabriel knows his savings are in good hands.

“It’s like everything, it’ll come back. And knowing that Cbus invests money back in the industry, that’s a very positive thing.”

Having recently bought a house, and with a baby on the way Gabriel is planning to boost his super to support him and his growing family in the future.

“If you get the opportunity to add to your super, it’s a great idea to fast pace that end result. That’s certainly what I’ll be doing.”

For more information about how you can add to your super, visit cbussuper.com.au/boostsuper.
It’s safe to say 2020 is proving to be a challenging year.

In the first half of 2020 we’ve experienced devastating bushfires in Australia and a global pandemic that caused big share market movements.

Before these events, global economic activity had stabilised. The US/China trade tensions were easing and Brexit happened with both having a positive impact on share markets. In Australia we saw weak household income growth, sluggish consumer spending and some uncertainty in the housing market. The RBA made three cuts to the cash rate across 2019/20 to try and lift growth.

By the end of March 2020, the global environment was very different. What started as a health crisis created an economic crisis, with share markets falling in a month what took around 15 months during the Global Financial Crisis. Whole sectors including retail, hospitality and tourism shut down overnight, as governments sought to contain the spread of the virus.

Australia steps up to the challenge

With the benefit of a less densely populated nation, a strong healthcare system and the closure of international and local borders, Australia is closer to getting COVID-19 under control. The Government announced a number of measures, such as JobKeeper, to support incomes and try to ensure that as restrictions are slowly lifted businesses can resume operating fairly quickly.

While we appear to have passed through the initial ‘eye of the storm’ as containment measures are unwound globally, uncertainty remains with the number of virus cases continuing to rise and the emergence of further waves in some regions. International trade uncertainty and weak employment markets will weigh on businesses and households.

Despite these challenging conditions, the Growth (Cbus MySuper) option finished in positive territory returning 0.75% for the 2019/20 financial year. Our longer term 5 and 10 year returns were 7.13% and 8.54% respectively, an important reminder that super is a long term investment.

Think about your long-term goals

From time to time, external factors may negatively impact investment performance, but historically these periods tend to be temporary. Markets do recover, often rapidly as happened following the 2008 Global Financial Crisis. When thinking about your super, it’s important that you focus on your long-term financial goals and resist the urge to make decisions based on short-term ups and downs in markets.

Looking ahead

As we emerge from the crisis, Cbus will contribute to Australia’s economic road to recovery by investing into the building and construction industry.

We see opportunities to work closely with our key sponsoring organisations, as well as Federal and State governments to understand the projects they’re considering and the role Cbus can play in supporting them. This presents a great investment opportunity, while supporting the companies that employ our members and ensuring there are more jobs for workers in these uncertain times.

Performance to 30 June 2020

<table>
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<th>Performance to 30 June 2020</th>
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<tr>
<td>Growth (Cbus MySuper) option*</td>
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<td>5 years (% per year)</td>
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Past performance is not a reliable indicator of future performance.

* Investment performance is based on the Cbus crediting rate which is returns minus investment fees, taxes, and until 31 January 2020, the percentage based administration fee. Excludes fees and costs that are deducted directly from members’ accounts.

# (Median) SuperRatings SR50 Balanced Survey, 30 June 2020. SuperRatings is a ratings agency that collects information from super funds to enable performance comparisons – visit superratings.com.au

Cbus Property – investing in Australia’s recovery

We’re investing in major projects for your industries – building jobs and delivering strong returns for Cbus members.

Since 2006, Cbus Property* projects have generated over 100,000# jobs for workers in the building and construction industries. And as Australia looks to rebuild from the COVID-19 pandemic, these industries will be at the frontline of the economic recovery.

Pirie Street kick starts rebuilding phase

The South Australian Government was recently announced as an anchor tenant for Cbus Property’s $300 million office tower. It is anticipated that construction of this landmark project will support 2,000 jobs.

The office building, located at 83 Pirie Street, will house the South Australian Department of Planning, Transport and Infrastructure.

We are focussed on keeping current projects going and contributing to a decent pipeline of work over the next few years that will result in decent jobs for our members.

This project comes at a vital time for the construction industry in South Australia, demonstrating our commitment to building your retirement savings while investing in major projects for your industries.

We believe our investments will contribute to the creation of around 100,000 Australian jobs through the recovery.

You can read more about Cbus Property projects at cbusproperty.com.au.

* Cbus Property Pty Ltd is a wholly-owned subsidiary of United Super Pty Ltd and has responsibility for the development and management of Cbus’ direct property investments.

# Estimated jobs since 2006 to June 2020 based on inductions for completed and committed developments.
Advice you can count on

Cbus Advice Services team member Daniel Muscat has been supporting members with advice over the phone throughout the bushfires and the pandemic.

Daniel has been working in super for 20 years, around 12 years of that as an adviser. One of his earliest jobs was working on residential construction sites, so he can really appreciate the hard work our members put in every day to build Australia.

Here are his answers to some of the most common questions he hears from Cbus members...

How much insurance cover should I have?

The right level of cover is different for everyone. To work out what’s best for you, you should think about the needs of those you’d leave behind (if any), and what income you’d need if you had to stop work because of a serious illness or injury.

A good starting point is to think about how much you’d need to cover:
- any debt you have (e.g. mortgage, car loans, etc)
- general living expenses
- school fees for children.

The Insurance needs calculator can help – visit cbussuper.com.au/calculators.

Should I move my super into cash until the market recovers?

We understand that it can be unnerving to see the value of your super go down, but if you change your investments after a major fall, like we saw earlier this year, you’re selling them when they’re at a low price and locking in that loss. It works in the same way as selling a house you own. The value of the house can go up and down a lot over time, but you don’t actually lose money on it (or lock in a loss) until you sell it.

Super is a long-term investment and markets go up and down over time, especially during periods of uncertainty like COVID-19. Markets do recover, and they sometimes recover rapidly, as happened following the 2008 Global Financial Crisis.

Most Cbus members are invested in the default Growth (Cbus MySuper) option, which has provided average annual returns of 8.98% over the last 36 years*. You can explore investment options at cbussuper.com.au/investments or give us a call and we can help.

I want to build up my super – should I be making extra contributions?

Even a little extra can make a big difference to your super. Over the long-term super has shown that it’s a great place to generate returns, and the longer your money is invested, the more chance it has to grow.

When markets are unstable it can be tempting to stop topping up your super. However, this could prove to be one of the best times to invest. When the markets are down, you’re buying assets that are cheaper and will be ready to take advantage when the markets do recover.

Extra contributions can also reduce the amount of tax you pay, and if you’re on a low income, you could qualify for an extra boost from the Government.

Generally speaking, any money contributed to super is ‘preserved’ which means that you usually need to retire to gain access to it. So it’s important that any contributions you make are affordable and won’t leave you short.

Do you have other questions about your super? Access to Cbus Advice Services is included as part of your membership – just call 1300 361 784 and press 4.

*Since inception to 30 June 2020. Cbus’ crediting rate is based on returns minus investment fees, taxes, and until 31 January 2020, the percentage-based administration fee. Excludes fees and costs that are deducted directly from members’ accounts. Past performance isn’t a reliable indicator of future performance.

This information is about Cbus and doesn’t take into account your specific needs. You should look at your own financial position, objectives and requirements before making any financial decisions. Read the relevant Cbus Product Disclosure Statement to decide if Cbus is right for you. Call 1300 361 784 or visit cbussuper.com.au for a copy.
We’ll help take the stress out of claiming

If you find yourself unable to work because of a serious accident or illness, the last thing you need is a complicated or costly claim process.

That was the situation Cbus member Jesse Hardy found himself in earlier this year, when he was unable to work following an accident. He’d been told that using a lawyer to help him with his insurance claim was an absolute must. But he was amazed to find out this would cost him between $5,000 and $35,000 in legal fees.

Instead he decided to see what Cbus could do for him. He came to the Melbourne front counter to see the Claims Assist team, and was very pleasantly surprised.

"What a breath of fresh air! [The team] were fantastic … [Sam] made me feel very welcome and explained everything about my claim in a way I could understand. I walked out smiling, satisfied and knowing my claim was in great hands," Jesse said.

Cbus insurance is specifically designed with our members in mind. In 2019 we paid out over 96% of all insurance claims, totalling over $274 million to our members.

If you need help to make a claim, or if you have any questions about your cover don’t hesitate to get in touch – we’re here for you.

“I can’t thank the friendly staff at Cbus enough for making it easy for me when at this time in my life things are very hard.”

In 2019 we paid out over 96% of all insurance claims, totalling over $274 million to our members.

If you need help putting in a claim call us on 1300 722 152 or visit cbussuper.com.au/contact.
Your coordinators

Local Cbus Coordinators give you personal, face-to-face support when you and your worksite need it. Get in contact today if you need help or to organise a workplace information session.

Contact us

1300 361 784 8am to 6pm (AEST/AEDT)
Monday to Friday, closed on national public holidays

cbusenq@cbussuper.com.au


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