

February 2023

cbus news



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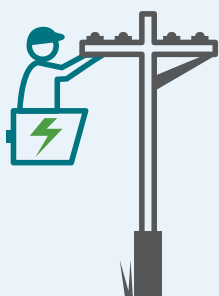
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Get the latest news. *Fast.*

Here's a **snapshot** of things you might need to know.



Our fund is set to grow even bigger

Last year we signed a merger agreement with EISS Super, which was a key milestone on our path to merge in May this year.

While Cbus Super members won't be impacted directly, we are confident the merger will further strengthen our position as one of the leading funds for the industries that build and shape Australia.

And by creating a larger fund, we expect members of both funds to access greater benefits of scale, leading to better retirement outcomes for all.

Where's your super hiding?

There's more than \$13 billion* in lost super in Australia. This is money that's waiting to be claimed and some of that could be yours!

Plus, if you have more than one super account, you're likely paying more than one set of fees. If you combine your super, you can avoid paying more in fees than you need to. And this could really add up in retirement.



To find and consolidate your super, simply log into your account and go to *Consolidate my super*. To run a search for lost super, you'll need your TFN handy, and we'll need to run an ID check with you.



Make downsizer contributions from age 55

If you're considering selling your family home, it's now easier to invest that money back into your super.

That's because the Government has reduced the age you can make a downsizer contribution to super to age 55.

A downsizer contribution lets you make a once-off contribution of up to \$300,000 to your super from the sale of your home and it won't count towards your contribution caps. Plus, if you're part of a couple, both you and your partner can contribute up to \$300,000 each.



Eligibility rules apply. Visit ato.gov.au/downsizing to learn more.

Your super's set for another pay rise

From 1 July 2023, the compulsory super you receive from your employer is once again set to increase from 10.5% to 11% of your ordinary earnings.



This change happens automatically, but make sure you're getting the right amount by checking your account online or via the Cbus Super app.



* ato.gov.au/About-ATO/Research-and-statistics/In-detail/Super-statistics/Super-accounts-data/Lost-and-unclaimed-super-by-postcode/

We're looking out for your interests

Our primary focus is to get the best outcomes for you – our members. As we start 2023, we're pleased to share some major progress.

Welcoming the Housing Accord

The National Housing Accord was announced in the October 2022-23 Budget. This Accord brings together all levels of government, investors like super funds, and the construction industry with an aspirational target of delivering one million new, well-located homes over five years from 2024. As long-term supporters and investors in social and affordable housing, we welcomed the announcement.

"The Accord has the potential to super charge investor participation in social and affordable housing, provide attractive returns for our members and address the affordable housing gap. Construction of social and affordable housing creates jobs and keeps the economy moving, and we look forward to playing our part."

Cbus Super CEO, Justin Arter

Cbus Super Chair joins the Treasurer's Investor Roundtable

Reflecting the important role that Cbus Super plays in investing in the Australian economy, our Chair Wayne Swan was asked to join the investor roundtable announced by the Treasurer in October last year.

It was formed to identify and unlock investment opportunities in national priority areas, one of which is housing.

Making sure workers are covered

The Federal Government's review of the unintended consequences of super laws called the Your Future, Your Super reforms, was a major focus of our advocacy efforts.

We want to ensure that every building and construction worker is covered from day one on site.

We're advocating for an amendment to the super 'stapling' laws. This is where the Australia Tax Office links a worker to their existing fund if they don't actively choose another. If a construction worker is 'stapled' to the fund they joined at their first job, they could be paying for insurance that won't cover them if they're seriously injured.

We're one of a handful of funds that can provide proper insurance coverage in our industries and one of a few funds offering automatic insurance through super to young or low-account balance workers in hazardous or high-risk jobs.

Having access to automatic insurance is fundamental for members in dangerous conditions such as working with heavy machinery or working from heights.

We'll keep advocating for good policy that recognises the importance of insurance for our members.



Protecting what matters most

It can be hard to imagine the worst, but with a little planning you can rest easier knowing that if something happens, you and those closest to you will be looked after financially.



Review your insurance after big life changes

Most members qualify for an automatic level of death and total and permanent disablement cover* when they join Cbus Super. You can also apply for income protection insurance in case injury or illness prevents you from working.

But is the level of cover you got when you first joined, still the right level for you now? When your life changes, your insurance needs change too. Getting married, buying a home, or having kids are some of life's most exciting moments, but major events like these may mean you need more insurance to protect you, and your loved ones if you're hurt, get sick or worse.

Increase your insurance without extra health checks

It's a good idea to take a look at your insurance after any big changes happen in your life. And the good news is that for some key life events, you can request an increase to your cover without needing to provide extra health information.

Simply complete the *Life event upgrade* form (available at cbussuper.com.au/forms) within 60 days of one of the following:



Getting **married**



Taking out a **business loan** or **increasing your loan** by **more than \$100,000**



Welcoming a **new baby** or **child**



Buying a **new home** or **increasing your mortgage** by **\$100,000**



Pay rise
(Income Protection only)



Visit cbussuper.com.au/insurance for more information about the insurance options we offer.

You can cancel your cover at any time

By law, if your account hasn't received a contribution or roll over for 16 months, your insurance cover will stop – unless you opt in to retain it anyway.

You can always change your mind and cancel or reduce your cover at any time, even if you did opt in. Simply log in to your account to view or change your cover.



* Insurance is subject to eligibility criteria and issued under a group policy with our insurer TAL Life Limited ABN 70 050 109 450 AFSL 237848.

Protect your insurance and your balance

Having all your super and insurance together under one roof means one less thing to manage. And it likely means less fees to pay too.

If you have super with another fund, you're likely paying more fees than you need to. By bringing all your super and insurance across to Cbus Super, you'll save by only paying one set of fees – and this could really add up in retirement.



To run a search for lost super, simply log into your account and go to *Consolidate my super*. Make sure you have your TFN and ID handy.

Bring your insurance across first

If you close a super account, you'll lose any insurance with that fund too. So, if you want to combine insurance, make sure you transfer it before you transfer your super.

We've made it easy to transfer insurance to Cbus Super

We understand high-risk working conditions, so our insurance has been designed to cover you for things that many other insurance policies don't.

You can bring across any death or total and permanent disablement (TPD) insurance you have with another fund. And you won't need to jump through any hoops or go through the usual health checks again for the increase with us.

The limits for each insurance type have also increased, so you can now access a total of \$5 million in death insurance and \$2 million for TPD insurance (soon to increase again to \$3 million).



Step 1: Log in to your account



Step 2: Select *Insurance*, from the top menu



Step 3: Click *Go to Insurance Online*, located under the insurance table



Step 4: Click *Transfer your insurance*, located under your cover details

Are your beneficiaries up to date?

It may not be nice to think about, but it's important to let us know who you want to receive your super benefit (including any insurance payout) when you die.

There are two types of beneficiary nominations you can make. Through both you can nominate one or more dependants (or a legal personal representative) and allocate proportions to each*.



Get more certainty with binding nominations

If you make a binding beneficiary nomination, we'll pay your benefit to the person(s) you nominate, so you can have greater certainty over who will receive your balance.

To ensure the nomination remains valid, you need to confirm or update your binding nomination at least once every three years.



Visit cbussuper.com.au/forms to access and complete a *Binding death benefit nomination* form. The form also includes detailed information and rules about binding nominations.

Keep it simple with a non-binding nomination

A non-binding nomination lets us know who you'd like to receive your benefit, but as it isn't binding, we may need to pay someone else based on the circumstances of you and your dependants, as well as any applicable super and tax laws.

Non-binding beneficiary nominations don't need to be regularly confirmed, so if your circumstances change and you don't update your nomination, we may not know your wishes.



Log in to your account or visit cbussuper.com.au/forms to complete a *Non-binding beneficiary nomination* form.

* If a beneficiary is not a dependent for tax purposes, the benefit they receive may be subject to tax.

Safeguard your money and identity

You may have noticed an increase of data breaches being reported in the news over the past months. That's why we've put extra measures in place to help protect your super.

What to do if you're impacted by a data breach

If an organisation lets you know about a data breach involving your personal information, there are some things you can do to help protect yourself*.

Contact information

e.g. home address, email or phone number



Change your email account passwords. If you emailed yourself passwords, change these as well. Enable multi-factor authentication if possible.

Take care with emails and phone calls as you may be targeted by scammers. Do not share your personal information until you are certain about who you are sharing it with.

Financial information

e.g. credit card or online banking



Change your online banking account password and your banking PIN.

Advise your financial institution that your information has been involved in a data breach.

Check your account statements. If you spot any purchases you didn't make, report these immediately to your financial institutions.

Request a copy of your credit report to check if it included any unauthorised loans or applications.

Government-issued identity documents

e.g. driver's license or Medicare details



Contact the agency that issued the identity document for advice using the contact details on their website.

Health information

e.g. health care records or prescriptions



Contact your health service provider using the contact details on their website.

Tax-related information

e.g. tax file number



Contact the Australian Tax Office using the contact details on ato.gov.au. They can monitor any unusual or suspicious activity with your tax file number.

* Source: Australian Government Office of the Australian Information Commissioner oaic.gov.au/privacy/data-breaches/act-quickly-if-you-are-affected-by-a-data-breach

Get scam savvy

In 2022, Australians lost over \$500 million* to scams and two-thirds of this was to investment scams.

That's just what was reported. Many victims are too embarrassed to admit they've been conned, so this number is probably much bigger.



What you can do

It's not all doom and gloom, though. While the fraudsters may be getting smarter, there are some things you can do and watch for to protect your super, other assets and identity from theft.



Head to scamwatch.gov.au to stay up-to-date with the latest tricks scammers are trying and for more tips on how to protect yourself, and keep your money and identity safe.



Don't let your nest egg fall prey to predators

Lately you may have heard a lot more about self-managed super fund (SMSF) scams in particular. These scams usually start with a cold call or email from a person or company you don't know. They may claim to be a financial adviser and promise high returns if you move your super to a SMSF. The fraudsters can be sophisticated, and many have cloned credentials from legitimate companies, so it can all look very real.

Once they hook you in and convince you that an SMSF with their company is a better option, they'll have you move your super to what looks like a genuine account, but is actually the scammer's account. Cbus Super will do as much as it can to protect you, but if we receive instructions to rollover your money along with all the required documents and ID, once it's been transferred out, there may be nothing we can do, and your super will be gone.

Self-managed super funds may not be super for you

While many SMSF opportunities may not be scams, they still may not be in your best interests, despite their claims.

Managing an SMSF can be costly and time-consuming. Even if you get help from a professional (like a financial adviser, accountant or solicitor), you're still responsible and personally liable for the fund's decisions, and making sure it complies with super and tax laws.

Plus, if your SMSF falls victim to theft or fraud, you won't be protected in the same way as you would be in an APRA-regulated fund like Cbus Super.

Once expenses and taxes are taken into account, the returns may not be as attractive as they first seem. And remember, no one can guarantee returns. If it looks too good to be true, it probably is.

How we're working to protect you

With increases in data breaches, identity theft and super scams, we need to make sure we're talking to the right people. This means we may ask you for a lot of information, especially when it comes to making payments.

We've also strengthened the security we already have in place, including increased monitoring of transactions and accounts. We do this to protect you, your loved ones and your money.



Leaving Cbus Super means leaving insurance built for you

By leaving Cbus Super, you'll also leave behind insurance that's designed especially for your industry. We understand high-risk working conditions – like working from heights, underground or in confined spaces. And our size means we can get a better deal for members, with premiums paid from your super, not your salary.

* Source: scamwatch.gov.au/scam-statistics

A bright life for this sparky

David Von Kelaita has enjoyed a varied career spanning the Navy, trade and now education. Now, as he approaches 50 and edges closer to retirement, he reflects on the decisions that shaped his life for the better.

David's passion for the electrical industry started when he joined the Royal Australian Navy straight out of high school. But after 14 years' service and another 5 in the electrical industry outside of the Navy, he knew it was time for a change that would bring him more time with his young family.

So, when an opportunity arose to run post-trade training at Combined Skills Training Association (CSTA), he took it. Ten years later, David hasn't looked back.

"It's been a big surprise for me. I didn't think I'd be good at it, but now you can't drag me away from it," admits David. "I love the fact that it's in the electrical industry and it keeps my knowledge up with all the regulations and standards."

It's also his students that make work worthwhile. "They interact, they ask questions, and my knowledge has gotten to a stage where I can just answer questions off the top of my head. It's a good feeling."

Joining a member-focused fund

David's father-in-law is a sparky too, so when David left the Navy, he encouraged David to become a Cbus Super member.

After David joined, Cbus Super coordinator, Don Fowlie, asked if he could run a presentation to the students. Now, each month, Cbus Super coordinators visit CSTA and present to the students about super.

"What I love most about Cbus is that they have experts that come out and talk to people. No other super funds that I'm aware of do that."



Getting into super early

Getting people interested in their super isn't easy, but David knows firsthand the difference these visits can make to his students. "When I was young, nobody really told me about super. But when I left the Navy, and joined Cbus, I started to realise the importance of it."

"Cbus do those educational sessions, or whenever there's an Electrical Trade Union (ETU) conference, they come up and speak and give you those facts and figures and it kind of opens your mind to it."

That's when David started thinking about adding more to his super. "These days I find I reach the \$27,500 cap each year." He even encourages his kids to do the same:

"Salary sacrifice what you can afford into super... I've got my son doing it, I've got my daughter doing it. Do it now. I wish I was given that advice early on."



Thinking about putting extra money into your super?

We have a team of advisers who can provide you with personal advice. They'll talk through your options and help work out how much you can contribute. This service is included as part of your membership at no extra cost. Please call **1300 361 784** to speak to our Advice Services team from 8.30am to 6pm (AEST/AEDT) Monday to Friday.

Investing for the long-term

Deciding to do nothing may just be the best decision you'll make.

The last few years have seen many unique events take place, causing longer periods of market volatility. Your super is invested in assets that can and have been affected, so feeling nervous about your super is understandable.

Making switches to your super's investment strategy may seem like the safe thing to do, but in most cases, you're actually better off not making any changes to your long-term investment strategy. This is particularly relevant if your retirement is still some way off.



"Our favourite holding period is forever."

This quote was made famous by Warren Buffet, one of the world's most successful investors. While your super won't be invested forever, his point is that investing is a long-term game, and it can pay to ride the wave.

Things to consider before making any changes

You might be locking in your loss

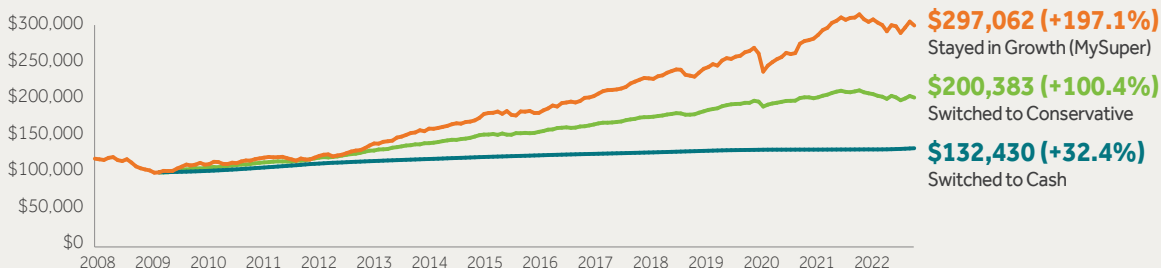
Your super is invested across a range of different assets. When the value of these assets goes up, your super balance will increase. However, when the value of these assets goes down, your super balance will reduce. So, if you switch to a more conservative investment option when markets are down, you'll lock in the reduced value of these assets, and your super may never recover. On the other hand, if you stay put and wait for markets to rebound – which they usually do, and sometimes quickly – your super will be better off in the long-term.

Super is a long-term product; built to withstand market ups and downs

That's why most of our options are constructed to deliver on their investment objective over a 10-year period. Our 5-year and 10-year returns for Growth (MySuper) have continued to outperform the industry median (see page 11), providing strong returns for our members.

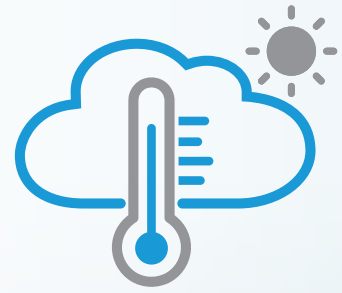
The market has recovered after other dips

This approach has proved successful for our members and has seen them through many past market shocks. The below chart shows three different approaches a member could have taken back when the Global Financial Crisis (GFC) hit in 2008. As you can see, over both the short and long term, switching did not produce a better return.



These figures are for illustration purposes only and are based on the crediting rate, which is the return minus investment fees, taxes, and until 31 January 2020, the percentage-based administration fee. Excludes fees and costs deducted directly from members' accounts. Calculations are based on historical crediting rates from 30 June 2008 to 31 December 2022, switching on 31 March 2009 with a super account balance of \$100,000. Past performance is not a reliable indicator of future performance.

Our investments and climate change



We believe climate change is one of the most significant challenges we face as a society today, and that tackling it needs to be done collaboratively with a focus on real-world impact.

As responsible investors, we can achieve the best financial outcomes for our members by incorporating the risks and opportunities that climate change creates within our investment decisions, and by helping to shape how the world transitions through our engagement and advocacy work.

Our climate change goals

Net zero portfolio carbon emissions by 2050

Our net zero target refers to the Fund's financed emissions. Based on how much we've invested in a company or asset, we're responsible for a share of that company's emissions; these are our financed emissions.

Our net zero target currently refers to our share of the Scope 1 and 2 emissions* of the companies and assets in which we invest. This target currently includes over 70% of Cbus Super's portfolio including listed shares, property and infrastructure.

Contribute to a 45% reduction in real world emissions by 2030†

Our 2030 target focuses on a connection to real-world decarbonisation. We use carbon intensity (tonnes of CO₂ per \$M invested) to track our progress because this allows us to account for growth in our portfolio over time.

The challenge with carbon intensity is that it can be influenced by changes in asset valuations as investment markets fluctuate. To better connect to real world impact, we adjust for changes in asset values when we assess our progress each year.

1% allocation to climate change investments

Our 1% allocation to climate change investments allows us to invest in the technologies needed for a low-carbon economy. It also aims to finance the transition, by supporting companies and assets in hard-to-reduce sectors that need investment to facilitate their decarbonisation.

This dedicated allocation doesn't represent our only exposure to climate investments, but it does act to increase our focus on this space and to continually expand knowledge of climate investments across our managers.

Engage with our top 20 Australian listed emitters

Our engagement strategy is updated annually and covers approximately 50% of our financed emissions. We engage with our highest emitters through direct engagement and by working alongside others.



More information can be found in the [Responsible Investment Supplement](#) of our latest *Annual Integrated Report* – available at cbussuper.com.au/AnnualReport.

* Scope 1 emissions are direct emissions from activities that a company controls (e.g. using gas for heating, emissions from fleet vehicles). Scope 2 emissions are indirect emissions related to the electricity that a company purchases and uses. Emissions are created when the electricity is produced.

† Compared to a 2019 baseline.

Market ups and downs are a normal part of investing

Financial markets globally faced a range of challenges over the course of 2022. While these have impacted investment returns across the super industry, your retirement savings are designed to ride the ups and downs and have long-term goals in mind.



Factors impacting returns include:

- **Rapid rising of interest rates** by the Reserve Bank of Australia and central banks overseas in response to rising inflation
- **Impacts to energy, gas and commodity markets** as a result of the Russia/Ukraine crisis
- **Further pressure on global supply chains** in the wake of the COVID-19 pandemic.

Despite some early signs that inflation may be nearing its peak, the investment environment is likely to remain challenging as we enter 2023 and several central banks have indicated the likelihood of further interest rate rises this year.

The challenges of controlling inflation whilst keeping job growth strong, and managing the impacts of geopolitical conflict, means we anticipate further ups and downs in the market.

All investments involve some risk

Combined, these events have increased market volatility and affected short-term investment returns across a wide range of investments and asset classes, including falls in Australian and global shares and in Australian and global fixed income.

We know these periods can be unsettling, but they are to be expected and are a normal part of investing for the longer-term.

Long-term focus of super

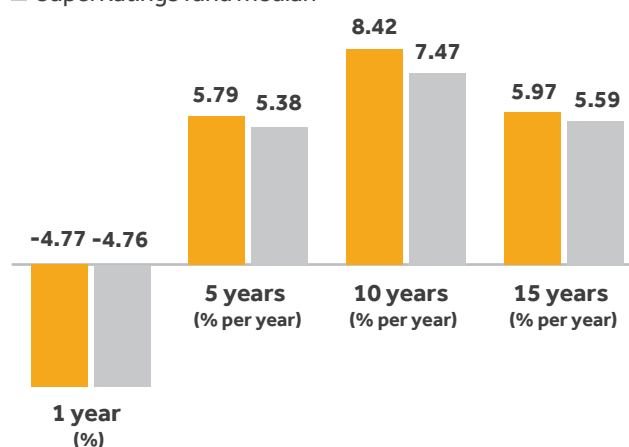
While short-term returns have been impacted across the superannuation industry, our Growth (MySuper) option has delivered strong long-term outcomes for members and continues to outperform the industry median over 5, 10 and 15-year periods*.

This means that by staying the course, you will have benefited from investment returns that are in the top quartile of super funds, highlighting the importance of setting a long-term strategy and sticking to it through market ups and downs. As always, our number one goal is to help you build your hard-earned savings to secure a better retirement future.

Performance (%) to 31 December 2022

■ Growth (MySuper) option[†]

■ SuperRatings fund median[‡]



Past performance is not a reliable indicator of future performance.

[†] The return for the Growth (MySuper) option is based on the 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.

[‡] The average median return is taken from the SuperRatings SR50 / SRP50 Balanced (60-76) survey (December 2022). SuperRatings is a ratings agency that collects information from super funds to enable performance comparisons – visit superratings.com.au.

* The default Growth (MySuper) option obtained a top quartile performance ranking over 5, 10 and 15-year periods ending 31 December 2022. SuperRatings FCRS SR50 Balanced (60-76) Index Survey.

Award-winning super, built for your industry

Our Fund is proud to be named SuperRatings* Career Fund of the Year 2023.

This award recognises us as the leading industry super fund for the building, construction and allied industries.

It acknowledges Cbus Super's strong focus on engagement with and advocacy for our members and our highly competitive returns and fees.

The award also celebrates our insurance offering, which we tailor to suit our members. Our members who work in high-risk jobs are automatically offered insurance through their super. This includes those who are young or with low account-balances, who ordinarily wouldn't be covered.

Please visit
cbussuper.com.au/awards
for details of these and more
of our Fund's awards.



Contact us

Find us on



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



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Log in to chat to us online



Visit us in person in Adelaide, Brisbane, Melbourne,
Perth and Sydney. Details: **cbussuper.com.au/contact**

Cbus has fact sheets available in your language to help you understand your superannuation. You can download a copy at **cbussuper.com.au**

Cbus提供中文说明书，帮您了解退休金。您可以访问 **cbussuper.com.au** 下载说明书。

Cbus ima prospekte na vašem jeziku kako biste mogli lakše razumjeti sve što je vezano za vašu mirovinsku štednju (superannuation). Primjerak ovog prospekta možete učitati na internetskoj stranici **cbussuper.com.au**

Η Cbus έχει ενημερωτικά φυλλάδια στη γλώσσα σας για να σας βοηθήσει να καταλάβετε τα πάντα για τη συνταξιοδότησή σας. Μπορείτε να βρείτε και να κατεβάσετε ένα αντίγραφο στη διεύθυνση **cbussuper.com.au**

لدى سييس صحائف حقائق بلغتك لمساعدتك على فهم ادخارك التقاعدي. بإمكانك زيارة موقع **cbussuper.com.au** لتنزيل نسخة.

Cbus ha a disposizione delle schede informative nella vostra lingua per aiutarvi a comprendere tutto quello che riguarda il vostro pensionamento. Potete scaricare una copia sul sito **cbussuper.com.au**

Cbus는 연금에 대한 이해를 돕고자 한국어로 된 안내서를 마련했습니다. **cbussuper.com.au** 로 가서 안내서를 다운로드 받으실 수 있습니다.

Cbus raspolaga со брошури на вашiot jазик за да ви помогне да разберете сé околу вашите пензиски влогови. Доколку сакате да преземете копии од овие брошури, посетете ro **cbussuper.com.au**

Cbus нуди информативне листове на вашем језику који вам помажу да разумете све што се тиче вашег пензијског фонда. Примерак можете преузети на интернет презентацији **cbussuper.com.au**

Cbus tiene hojas de datos en su idioma que le permitirán comprender su super. Usted puede descargar una copia en **cbussuper.com.au**

Cbus có các tờ thông tin bằng ngôn ngữ của quý vị để giúp quý vị hiểu về hưu bổng của mình. Quý vị có thể truy cập trang web **cbussuper.com.au** để tải về bản sao.

* The rating is issued by SuperRatings Pty Ltd ABN 95 100 192 283 AFSL 311880 (SuperRatings). Ratings are general advice only and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and SuperRatings assumes no obligation to update. SuperRatings uses objective criteria and receives a fee for publishing awards. Visit **superratings.com.au** for ratings information and to access the full report. © 2023 SuperRatings. All rights reserved.

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