

broadcast

MARCH 2023

CEO message

> Page 2

Investment market update

> Page 3

Ships Ahoy!

> Page 5

Supporting mental health and wellbeing

> Page 7



CEO Message

A message from our CEO, Justin Arter

2023 is now well underway and we hope that the year has started well for you and your teams. It has certainly kicked off on the superannuation front with markets performing strongly and the government announcing plans to legislate an objective of super.

Pleasingly, the option that most of our members are invested in, Growth (My Super), is showing a positive return*. I refer you to the investment reports in this Broadcast for more detail.

As always, I want to acknowledge your efforts to assist your employees with their super arrangements. Without your efforts to pay their contributions they would have potentially missed out on these positive returns on their balances.

Securing the right insurance cover for your employees

We are expecting outcomes from a government review of super regulation where Cbus has advocated strongly for reforms to ensure workers in hazardous occupations are not left under-insured in the case of an accident. We hope to update you with developments in the next edition.

Strong returns from Cbus Property†

Our flagship property investment and development arm continues to deliver for members, with a focus on innovation. Cbus Property recently received approval for the \$1 billion commercial tower development at 435 Bourke Street in Melbourne's CBD. It will be one of the first office towers to feature a "solar skin" façade.



Justin Arter, CEO

EISS merger

Finally, our planned merger with EISS Super is progressing well and we're expecting to merge in May 2023. You can read the latest merger update in our *Preparing for Cbus and EISS Super to merge* article.

I look forward to updating you again soon.

A handwritten signature in black ink, appearing to read 'Justin Arter', written over a horizontal line.

Justin Arter
CEO

* Over 1,3,5,7,10,15 and 20 years to 31 January 2023. The return 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 member's account.

† Cbus Property Pty Ltd is a wholly-owned subsidiary of United Super Pty Ltd and is responsible for the development and management of Cbus' direct property investments. Cbus Property investments are part of the property asset class in the High Growth, Growth Plus, Growth, Conservative Growth, Conservative and Property investment options and these returns form part of the crediting rates allocated to accounts invested in these options. Past performance is not a reliable indicator of future performance.



Investment market update

from Kristian Fok, Chief Investment Officer



Inflation, monetary policy and growth are the themes currently likely to dominate investment news over 2023.

Inflation remains the key theme for markets. While it remains far above targeted levels, it has begun to ease in most developed markets. This news was welcomed by share markets which started the 2023 calendar year strongly.

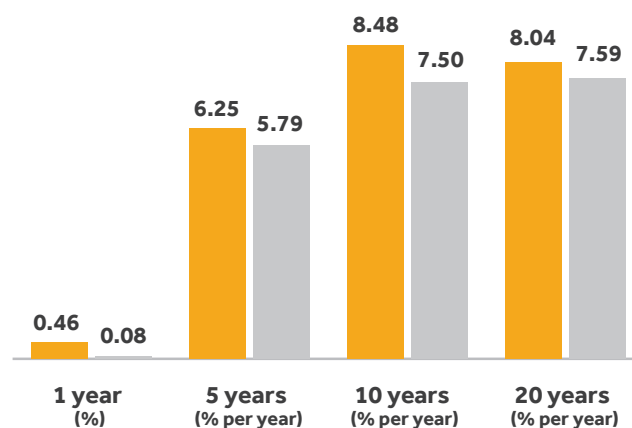
Despite some renewed positivity that inflation may return to more normal levels without causing a significant economic slowdown, material risks to growth remain. For instance, elevated energy prices, continued supply uncertainty and higher interest rates could all limit the amount of growth we see in various parts of the world.

While inflation in Australia is not yet falling like some overseas markets the Reserve Bank of Australia (RBA) has chosen not to increase interest rates as quickly as other countries such as the United States. We have higher levels of housing debt and repayments here are far more dependent on short-term interest rates than other countries. Therefore, interest rate rises already announced by the RBA are only just starting to have an impact and are likely to have a larger effect on consumers over the next six months or so.

More positively, the prospects for China's economy in 2023 have improved following the abandonment of their Covid-zero policy. With this period of significant disruption over, the economy should experience a reopening boost. Recent policy announcements and government language have also been much more growth and market friendly.

Performance (%) to 31 January 2023

■ 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 Balanced (60-76) survey (31 January 2023). SuperRatings is a ratings agency that collects information from super funds to enable performance comparisons – visit superratings.com.au.

Experience paying off

Recently marking 10 years with Cbus, Chief Investment Officer, Kristian Fok sat down with the Financial Standard to reflect and highlight the keys to investment success for Cbus members, including the successful internalisation of investment management.

The internalisation of investment management has paid off with the Cbus team now managing 37.6% of the portfolio in-house (as at 30 June 2022), helping to save members more than \$500 million in investment fees since 2017.

You can read the full article where Kristian also reflects on how interest in investment in the building industry and the broader economy has evolved over the years, as well as the importance of leveraging the expertise of Cbus' board of directors.



financialstandard.com.au/featured_profile/behind-the-curtain



Congratulations on your
10-year milestone
Kristian and here's to many more years!



Ships Ahoy!

Cbus invests across a wide range of asset types, both domestically and offshore. By investing across different parts of the world we also reduce the risk of economic conditions in any one country having a large overall effect on the balance of your super.

One such example is our investment in Forth Ports, an owner and operator of eight commercial ports across the United Kingdom. With seven ports in Scotland and one in London they benefit from locations close to the North Sea oil and gas reserves, as well as access to the English Channel. Offshore wind also presents a major opportunity for Forth Ports' Scottish ports as construction and servicing work for new offshore wind farms is expected to be supported by Scottish harbours for years to come.

The ports own their own land and have strong market positions and growth opportunities. The largest of the eight ports, the Port of Tilbury, is London's major port and a key employer in the local area with 60% of the key managers at the port living within 16 kilometres.

The Port of Tilbury underwent an expansion in 2020 with the purchase of an additional 152 acres to expand the terminal and create additional long-term income.

Given its ideal location the port is forecast to generate around 20% of Forth Ports' total revenue over the next decade.

The Port of Tilbury is also regarded as the UK's greenest port and most of its electricity is generated through its four wind turbines. There is an ongoing investment in power, water and fuel saving solutions at the port.

By having a diversified, stable cash flow, Forth Ports has demonstrated an ability to navigate through tougher economic periods without major impact to its revenue. Forth Ports is a great example of the wide range of investments Cbus Super members are able to access when they invest with us. Infrastructure assets such as this are expected to help the Fund continue to deliver stable, long-term returns to members into the future.



Forth Ports – Grangemouth
container terminal



Education sessions

To help members better plan for retirement and get more out of their super Cbus organises a range of educational webinars.

These sessions are relaxed and informal and are included as part of being a member, so all members and partners are welcome to attend.

The range of topics include but are not limited to:

Super basics and health check	Investments in super
Boost your super	Insurance and beneficiaries
First Home Super Saver Scheme (FHSSS)	Women and super
Legislative updates	Retirement planning series: <ul style="list-style-type: none">■ How much is enough?■ Accessing super■ Transition to Retirement (TTR)■ Centrelink and Aged Pension

To view the online calendar or register for a session, visit cbussuper.com.au/seminars, email seminars@cbussuper.com.au or call us on **1800 655 748**.

Proud supporters of mental health and wellbeing

Cbus is proud to partner a number of organisations who provide support services aimed at improving mental health and wellbeing within the Australian construction industry*, including:

■ Mates in Construction	■ Foundo Blue
■ Incolinks Blue Hats	■ Construction of charitable works

With one in five Australians navigating mental health challenges in any one year, and around half during their lifetime[†], we know this is something we need to improve together with our employers and members.

SuperFriend

SuperFriend is a national workplace mental health and wellbeing initiative. We are proud Partners of SuperFriend because we support their vision, an Australia where all workplaces are mentally healthy[‡].

The benefits of a mentally healthy workplace include more supported members, increased staff retention and engagement, wellbeing, productivity and profitability.

Through our partnership, Cbus participating employers can access:

- workplace mental health research and actionable insights through Australia's most trusted and established national workplace mental health survey, the *Indicators of a Thriving Workplace*.
- evidence-based workplace mental health education through literature, training, presentations and events.

TAL

Our insurance provider TAL provides the following health and wellbeing benefits to insured members:

- grief support service
- preventative health content on a variety of topics
- spot checker (skin cancer checks), and
- heart health checks.

If you or your employees are looking for help or require urgent assistance, please contact a medical or mental health professional. You can also contact Lifeline (24 hours) on **13 11 14** or Beyond Blue on **1300 22 4636** for over-the-phone assistance.

* Partnerships with these organisations may vary between different states.

† Source: <https://www.aihw.gov.au/mental-health/overview/mental-illness>

‡ This information has been provided by SuperFriend and relates to the products and services offered by them. Cbus does not recommend, endorse or accept any responsibility for the products. For up-to-date information, refer to superfriend.com.au.





Keeping you informed

Preparing for Cbus and EISS Super to merge

Cbus Super and EISS Super are planning to merge in May 2023. The merger will create a larger fund which we believe will allow access to greater benefits of scale and better retirement outcomes for members of both funds.



EISS
super



As a result of the merger EISS Super members will transfer to Cbus Super and all EISS Super products will be closed.

As we prepare to merge there's some key activities that will take place over the next couple of months:

- Significant Event Notices will be sent to EISS Super members outlining what will change and where to go for more information.
- EISS Super employers will receive a communication advising key dates they need to be aware of and how to make contributions before and after the merger is complete.
- A merger hub will go live that will provide the latest information on the merger and what's happening.

We'll share further updates with you as the merger progresses.

Cbus makes new Board appointments



In December we farewelled two stalwart Board directors with the retirements of Anne Donnellan and Frank O'Grady.

Ms Donnellan has been replaced by AMWU National Legal Coordinator Abha Devasia while retiring CFMMEU national construction secretary Dave Noonan will return to the Cbus Board to replace Mr O'Grady.

Both Ms Donnellan and Mr O'Grady have been exceptional advocates for the best interests of members for almost 20 years combined.

As part of the original 1984 campaign that won superannuation for building workers and created the Fund, Mr O'Grady has helped guide the member first focus of not just Cbus but industry funds in general.

Ms Donnellan has been a fearless advocate for members in her time as a director and alternate director. Her knowledge and experience of blue-collar members outside of the construction industry enabled her to make a valuable contribution to the Board.

Cbus thanks them most sincerely for their effort and commitment to the Fund.

The appointments of Ms Devasia and Mr Noonan brings experience and fresh skills to the Board.

Ms Devasia is an advocate at heart with a passion for supporting migrant workers and culturally diverse communities. She shares with Cbus a commitment for member outcomes and has a deep understanding of the issues workers face across blue collar industries.

With a keen interest in governance from her time at the AMWU and having served on government and NGO boards, Ms Devasia's insights and approach will provide value to the Fund.

We are very pleased to welcome Ms Devasia to the Board and have no doubt that she will make an outstanding contribution on behalf of members.

We are also very pleased to welcome back Dave Noonan to the Cbus Board. Mr Noonan is one of the nation's most accomplished super fund trustees and was recognised as AIST Trustee of the Year in 2019.

Mr Noonan has served as Deputy Chair of the Fund and has a keen understanding of the Fund's operation and the outcomes it delivers for members. His expert contribution on our investment committee has long been valued by our investment leaders.

Most importantly, Mr Noonan takes the obligation for directors to question and provide challenge seriously. He has never been backwards about coming forwards when it comes to ensuring members are at the heart of everything Cbus does and we are excited to welcome him back to the Board.

Ms Devasia commenced her term on the Board in January while Mr Noonan will re-join the Board in April.

Top awards and ratings for Cbus Super



- ✓ **The quality of the products and service we offer has been recognised again, beginning with the announcement that our Cbus Super Income Stream (SIS) was awarded Money magazine's Best Growth Pension Product 2023*.**

In commenting about our win Money magazine noted that strong long-term returns, in-house investment management and low fees are a winning formula.

If you have employees coming up to retirement direct them to cbussuper.com.au/sis or let them know about our retirement planning sessions. Members can register at cbussuper.com.au/seminars.

- ✓ **We're also pleased to advise that all of our Cbus and Media Super products have again received SuperRatings Platinum ratings for 2023†.**

Platinum ratings highlight the best value for money offerings and these ratings follow on from our win as SuperRatings' Career Fund of the Year 2023. This is an award that recognises the super fund with the offering that is best suited to its industry.

- ✓ **Finally, we have again received Chant West 5 Apples ratings. For a super fund to earn 5 Apples it must be one of the 'Highest Quality Funds' and we are delighted to achieve those ratings for both our Super Products and our Pension Products for 2023.**



Visit cbussuper.com.au/awards for full details of our awards and ratings.

*Money magazine award received for the High Growth investment option within the Cbus Super Income Stream product. The Cbus Super Income Stream is the retirement product available to all Cbus and Media Super Members through the Cbus Super Fund.

† SuperRatings does not issue, sell, guarantee to underwrite Cbus and Media Super products. Go to www.superratings.com.au for details of its ratings criteria.

Help us help you

Sometimes we need to get in touch but we don't always have your latest contact details.







Your contact details can be updated online at cbussuper.com.au/employer-login or give us a call.

Dedicated support for employers

Whether you have two or 200 employees, nothing is too big or too small for us.

All employers receive:

-  account management and training support
-  face-to-face support from Cbus front counters in major cities around Australia and access to service in remote locations
-  phone support from the Employer Services Contact Centre available Monday to Friday, 8am to 8pm AEST/AEDT on **1300 361 784**
-  a broad range of options to support members including fact sheets, tools and calculators, general advice on a range of super topics or intra-fund advice in relation to their Cbus account over the phone.

Cbus is here to help

Find us on



Call our Service Centre
on **1300 361 784** 8am to 8pm
(AEST/AEDT) Monday to Friday



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cbusenq@cbussuper.com.au



Write to
Locked Bag 5056
Parramatta NSW 2124

This information is about Cbus. It doesn't take into account your specific needs so you should look at your own financial position, objectives and requirements before making any financial decisions. Read the relevant Cbus Product Disclosure Statement and related documents to decide whether Cbus is right for you. Contact **1300 361 784** or visit cbussuper.com.au for a copy. Also read the relevant Target Market Determination at cbussuper.com.au/tmd.

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