

Rectification Plan

United Super Pty Ltd

31 January 2025, Updated 30 September 2026

40 YEARS cbus super An Industry SuperFund

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1. Background and Overview

Context

The Construction and Building Unions Superannuation Fund (**Cbus** or **the Fund**) is a large open offer industry superannuation fund specialising in superannuation services for workers in the building and construction, energy, and electrical industries. As at 30 June 2024, Cbus manages over $94bn for more than 920,000 members.

On 14 August 2024, the Australian Prudential Regulation Authority (**APRA**) imposed additional licence conditions on United Super Pty Ltd (**Trustee**), as trustee for Cbus, to address concerns regarding fitness and propriety processes and fund expenditure management. The Trustee appointed Deloitte to conduct an Independent Review to confirm whether the Trustee is and has been compliant with the relevant prudential standards and statutory framework for fitness and propriety and how the Trustee was meeting its Best Financial Interest Duty Requirements (BFID) relating to CFMEU payments (**Independent Review**). The Independent Review identified 22 findings relating to deficiencies in governance and oversight, documentation and process alignment, assessment and monitoring, and mechanisms/metrics across the following scope areas:

- Design of fit and proper arrangements.
- Design and operation of the Best Financial Interests Duty (**Best Financial Interests Duty; BFID**) Framework.
- Assessment of Past Expenditure Decisions.

To address these findings, 26 recommendations (the Recommendations) were made by the Independent Review. The Trustee has accepted all the Recommendations. The Trustee is required to submit to APRA a rectification plan to address the Recommendations.

Overview of the Rectification Plan

The Trustee has developed this rectification plan (**Rectification Plan** or **Plan**) to address all the Recommendations. The Plan has been developed in consultation with Deloitte and has been approved by the Trustee. It outlines the work program of design, implement, and embed activities, governance arrangements, and timing to respond to each Recommendation. The key components of the Rectification Plan are:

- **Section 2**: Rectification Plan Development
- **Section 3:** Execution of Rectification Plan
- **Section 4**: Rectification Plan Areas of Activity
- **Section 5**: Closure Criteria Timeline
- **Section 6**: Detailed Rectification Plan

Details of the above sections are provided in the following pages.



2. Rectification Plan Development

Rectification Plan Development

The Rectification Plan is centred on a 'design, implement and embed' model with agreed closure criteria to drive a sustainable outcome-based approach.

The Rectification Plan sets out the actions to be taken with respect to each Recommendation, timelines for execution and the accountable executives responsible for addressing the Recommendation within the agreed timeframes. Detailed below is the approach taken to develop the Rectification Plan.

1 Rectification Plan Development Initiation

Key Activities:

Accountable members of the Executive Leadership Team (**ELT**) met to:

- Determine the approach for developing a Rectification Plan to address the Independent Review's recommendations
- Establish the appropriate governance structure to oversee the Rectification Plan development and execution activities.

Outcomes:

- Approach to developing the Rectification Plan.
- Structure of the Rectification Plan.
- Roles and responsibilities for delivery and governance.

2 Rectification Plan Template

Key Activities:

- Rectification Plan template was developed based on the agreed approach.
- Internal workshops were scheduled to build out key themes and activities for the Rectification Plan.

Outcomes:

- Rectification Plan template developed.
- Teams and responsible persons engaged for workshops.
- 6 key areas of activity identified.

3 Conduct workshops and develop the Rectification Plan

Key Activities:

A series of workshops were held to agree the key activities and closure criteria under the design, implement and embed stage for each recommendation.

Outcomes:

A populated draft Rectification Plan that contains:

- Process overview
- Areas of activity
- Target state
- Closure criteria
- Accountable executive
- Target dates for completion

4 ELT and Trustee Board review of Rectification Plan

Key Activities:

- ELT review of the draft Rectification Plan.
- Submission of the ELT endorsed Rectification Plan to the Trustee Board for approval.

Outcomes

- Rectification Plan approved and ready for submission to APRA.

2. Rectification Plan Development

Example template

Detailed below are the definitions of each component of the template.

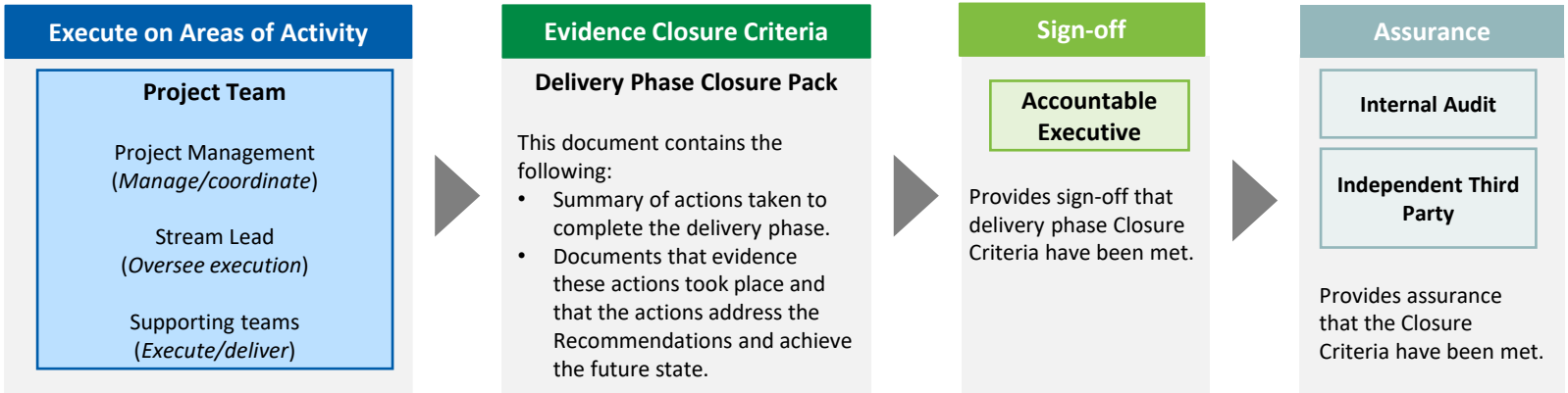
Area of Activity	*Related recommendations grouped by theme to enable an efficient approach to rectification*			
Relevant recommendations	*Summary of recommendations within each area of activity*			
Target State	*The future state environment that is intended to be achieved by meeting the recommendations*			
Phase	**Key Actions**	**Closure Criteria**	**Accountable Executive**	**Due by date**
Design *The Design stage involves defining and developing the approach to address the recommendations.*	*Activities to be undertaken to achieve the Target State.*	*Evidence to demonstrate that the actions address the Recommendations and achieve the future state, and the Phase has been completed and is now closed.*	*The executive accountable for ensuring the Target State is achieved through oversight of activities and achievement of closure criteria.*	*The date all relevant supporting evidence is made available to the Independent Third Party to assess the closure criteria have been achieved.*
Implement (Part 1) *The Implement Part 1 stage involves the initial roll-out or launch of the approach. This stage should include the change management required.*				
Implement (Part 2) *The Implement Part 2 stage involves executing business activities in accordance with the approved policies in force and the processes required at the time of the activity, demonstrating effective application in practice.*				
Embed *The Embed stage involves demonstrating consistent and sustained operational effectiveness through Internal Audit.*				

3. Execution of Rectification Plan

Rectification Plan Approach and Assurance

To execute the Rectification Plan, The Trustee has assigned a Project Team responsible for managing and coordinating the required activities. The Project Team is led by the Project Manager answerable to the Sponsor, who is the Chief Executive Officer of Cbus, and the Executive Steering Committee. The Trustee Board will maintain close and continuous oversight of the performance of the program and the completion of the Rectification Plan (see next slide).

The Project Team will be structured around delivery streams, with a lead to oversee specific design, implement, and embed activities for their assigned scope area, who work with relevant supporting teams to execute the activities. An Accountable Executive will be responsible for ensuring the closure criteria for their assigned activities are met at each phase of delivery. Evidence of the closure criteria for each phase will be prepared by the Project Team and signed off by the Accountable Executive. Internal Audit and Independent Third-Party assurance activities will be conducted to validate closure of the delivery phase.



3. Execution of Rectification Plan

Rectification Plan Governance, Monitoring and Reporting

To ensure that the Rectification Plan effort is well-managed, accountable and aligned with the Trustee's objectives, the following governance, monitoring and reporting structures will be implemented.



4. Rectification Plan Areas of Activity

Areas of activity to address recommendations

The Recommendations from the Independent Review are grouped into 6 Areas of Activity, each with a detailed Rectification Plan. To ensure the Rectification Plan is sustainable, a **target state** has been defined for each Area of Activity.

A. Board and Director Skills Assessment	B. Fit and Proper Assessment Process	C. Board Appointments	D. BFID Framework, Policy and Governance	E. Partnership Program Operations	F. Review of past partnership expenditure decisions in scope of the Independent Review
The Board Skills Assessment is rigorous and applied consistently as part of the Fit and Proper (**F&P**) process enabling an accurate understanding of the individual and collective competence of the Board, and any skill gaps and training needs.	The annual F&P assessment is rigorous, considers any relevant material matters, and clearly demonstrates that the Directors continue to be fit and proper persons.	The Board has authority to reject director nominations and extend Director tenure under exceptional circumstances, and these decisions are made through a defined process. All directors' affiliations with member or employer organisations are recorded in the Register of Relevant Interests and Duties.	The BFID framework, including policies, process and governance, is fit for purpose for the size, business mix and complexity of the fund, is consistently understood and applied and supports expenditure decisions that are made for the sound and prudent management of the Trustee's business operations and achieve the intended purpose and stated benefit.	The Partnership program, including processes, procedures and assessment models, is aligned to the BFID framework and is fit for purpose for the size, business mix and complexity of the fund, is consistently understood and supports expenditure that is in members' best financial interests both at the time of the decision and throughout the lifecycle of the expenditure.	The Trustee can demonstrate whether past expenditure decisions have been for the sound and prudent management of The Trustee's business operations and whether they achieved the intended purpose and stated benefit.
Recommendations: 1.1, 1.2	**Recommendations:** 1.3, 1.4, 1.5	**Recommendations:** 1.6, 1.7, 1.8	**Recommendations:** 2.1, 2.2, 6.1, 6.2, 6.3, 6.4	**Recommendations:** 2.3, 3.1, 3.2, 3.3, 3.4, 4.1, 4.2, 5.1, 5.2, 5.3, 5.4	**Recommendations:** 7.1

5. Closure Criteria Timeline*

Area of Activity	Relevant recommendations	Design Closure Criteria	Implement 1 Closure Criteria	Implement 2 Closure Criteria	Embed Closure Criteria
A. Board and Director Skills Assessment	• 1.1: Fit and Proper – Board Skills Assessment Rating Scale • 1.2: Fit and Proper – Process	30/09/2025	30/03/2026	09/10/2026	30/04/2027
B. Fit and Proper Assessment Process	• 1.3: Fit and Proper – Annual Assessment • 1.4: Fit and Proper – Review Director Annual Declaration • 1.5: Fit and Proper – Document Assessment Outcome	30/09/2025	30/03/2026	09/10/2026	30/04/2027
C. Board Appointments	• 1.6: Fit and Proper – Mechanism to Reject a Nomination • 1.7: Fit and Proper – Director Tenure Extension • 1.8: Fit and Proper – Register Relevant Interests and Duties	30/09/2025	30/03/2026	09/10/2026	30/04/2027
D. Best Financial Interests Duty Framework, Policy and Governance	• 2.1: Best Financial Interests Duty Framework – Policies and Frameworks • 2.2: Best Financial Interests Duty Framework – Partnership Agreements Policy • 6.1: Best Financial Interests Duty Framework – Governance and Reporting • 6.2: Best Financial Interests Duty Framework – Independent Chair of the MEGC • 6.3: Best Financial Interests Duty Framework – IPRC and CEO Reporting • 6.4: Best Financial Interests Duty Framework – MEGC Reporting	30/09/2025	30/03/2026	30/06/2027	31/03/2028

***** Dates in this table are those on which all relevant supporting evidence must have been made available.

5. Closure Criteria Timeline *

Area of Activity	Relevant recommendations	Design Closure Criteria	Implement 1 Closure Criteria	Implement 2 Closure Criteria	Embed Closure Criteria
E. Partnership Program Operations	• 2.3: Best Financial Interests Duty Framework - Training • 3.1: Best Financial Interests Duty Framework – Partnership Proposals • 3.2: Best Financial Interests Duty Framework – Partnership Spend Assessment Framework • 3.3: Best Financial Interests Duty Framework – Partnership Spend Assessment Framework Review • 3.4: Best Financial Interests Duty Framework – Incorporate Partnership Spend Assessment Framework Review • 4.1: Best Financial Interests Duty Framework – Partnership Proposals and Benefits Schedule • 4.2: Best Financial Interests Duty Framework – Partnership Agreements Policy and Guidelines • 5.1: Best Financial Interests Duty Framework – Partnership Agreement Assessment Template • 5.2: Best Financial Interests Duty Framework – Partnership Agreements Monitoring Process • 5.3: Best Financial Interests Duty Framework – Monitoring of Benefits • 5.4: Best Financial Interests Duty Framework – Partner Reporting	30/09/2025	30/03/2026	30/06/2027	31/03/2028
F. Review of past partnership expenditure decisions that were in scope of the Independent Review	7.1: Assessment of Past Expenditure Decisions	28/02/2026	09/10/2026	n/a	n/a

***** Dates in this table are those on which all relevant supporting evidence must have been made available.

6. Detailed Rectification Plan

Area of Activity	**A. Board and Director Skills Assessment**
Relevant recommendations	• 1.1: Fit and Proper – Board Skills Assessment Rating Scale • 1.2: Fit and Proper – Process
Target State	The Board Skills Assessment is rigorous and applied consistently as part of the F&P process enabling an accurate understanding of the individual and collective competence of the Board, and any skill gaps and training needs.

Phase	Key Actions	Closure Criteria	Accountable Executive	Due date
Design	• Review the Board Skills Assessment rating scale and evaluate whether the number of rating options in the Board Skills assessment needs to be increased based on the benefits versus the impact of the change. • Develop and document minimum requirements for Board Skills. • Formalise and document the process of liaison with nominating bodies to incorporate early and clear consideration of required skills in the selection of director nominees, to facilitate the appointment of appropriate individuals. • Define and document a process for formal review and challenge of the annual Board Skills Assessment by the Company Secretariat, Nominations Committee and Chair of the Board. • Review and uplift the Board Skills Assessment documentation to provide clearer guidance to Directors in line with the agreed rating scale. *Continued overleaf.*	• Updated Board Skills Assessment rating scale and guidance documentation approved by the Board. • Updated Fit and Proper Policy and Director Appointment, Performance and Renewal Policy including minimum requirements for Board Skills approved by the Board. • Standard Operating Procedure for engagement with nominating bodies in director succession planning. • Standard Operating Procedure for the Annual Board Skills Assessment approved by CRO. • Change Management Plan approved by the CRO.	Chief Risk Officer	30/09/2025

6. Detailed Rectification Plan

Area of Activity	**A. Board and Director Skills Assessment**
Relevant recommendations	*Refer to page 11.*
Target State	*Refer to page 11.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due by date
Design (cont.)	• Develop a Change Management Plan to train and communicate changes to the Board Skills Assessment, including minimum requirements for Board Skills and the formal review and challenge, to all Directors, Company Secretariat and other impacted stakeholders (e.g. nominating bodies).	*Refer to page 11.*	*Refer to page 11.*	*Refer to page 11.*
Implement Part 1	• Execute Change Management Plan by providing training and communication on the changes to the Board Skills Assessment. • Apply the revised Board Skills Assessment and review and challenge process to the FY25 Fit and Proper Assessment.	• Training register/confirmation of communications provided to all Directors, Company Secretariat and other impacted stakeholders on the uplifted Board Skills Assessment. • Revised Board Skills Assessment and review and challenge process applied for the FY25 Fit and Proper Assessment, including supporting Board papers and minutes. • Updated training plans for Directors with an assessed skills gap.	Chief Risk Officer	30/03/2026
Implement Part 2[1]	Apply the Board Skills Assessment and review and challenge process as part of initial and annual Fit and Proper assessments of Directors conducted in the **Implement Part 2 period**.	• In the event of any new Director nomination in the **Implement Part 2 period,** communication of minimum Board Skills requirements to the nominating body. • Board Skills Assessment and review and challenge process applied as part of Fit and Proper Assessments in the **Implement Part 2 period**, including supporting Board papers and minutes. • Training plans for Directors assessed as having a skills gap in the **Implement Part 2 period**.	Chief Risk Officer	09/10/2026

[1.] References to polices and processes in Implement Part 2 are to those policies in force and the processes required at the time of the Implement Part 2 activity.

6. Detailed Rectification Plan

Area of Activity	**A. Board and Director Skills Assessment**
Relevant recommendations	*Refer to page 11.*
Target State	*Refer to page 11.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due by date
Embed	• Conduct an internal audit on the initial and annual Fit and Proper assessments conducted in the **Implement Part 2 period**, including of training plans for Directors with an identified skills gap.	• Internal Audit report with management comments and closure dates approved by Board.	Chief Risk Officer	30/04/2027

6. Detailed Rectification Plan

Area of Activity	**B. Fit and Proper Assessment Process**
Relevant recommendations	• 1.3: Fit and Proper – Annual Assessment • 1.4: Fit and Proper – Review Director Annual Declaration • 1.5: Fit and Proper – Document Assessment Outcome
Target State	The annual F&P assessment is rigorous, considers any relevant material matters, and clearly demonstrates that the Directors continue to be fit and proper persons.

Phase	Key Actions	Closure Criteria	Accountable Executive	Due date
Design	• Review and uplift the rigour of the Company Secretariat process for review of, and reporting on the Directors annual self-assessment and Annual Declaration, including to incorporate: – Confirmation no other factors may inform the assessment; – Alignment of the process to the existing process for newly nominated Directors, including key public record and media checks; – Presentation to the Nominations Committee of assessment outcomes with relevant considerations from the Company Secretariat's review. • Establish a process to document and retain records of fit and proper checks made in the annual F&P assessment, including records of checks with no result. *Continued overleaf.*	• Updated Fit and Proper Policy approved by the Board. • Standard Operating Procedure for the Company Secretariat's review of the annual-self-assessment and Annual Declaration approved by CRO. • Change Management Plan approved by the CRO. • Updated Nominations Committee charter, describing role in annual F&P assessment, approved by the Board.	Chief Risk Officer	30/09/2025

6. Detailed Rectification Plan

Area of Activity	**B. Fit and Proper Assessment Process (cont.)**
Relevant recommendations	*Refer to page 14.*
Target State	*Refer to page 14.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due by date
Design (cont.)	• Document the uplifted process and the responsibility of the Company Secretariat and role of the Nominations Committee in the annual F&P assessment in the Fit and Proper Policy and associated procedures. • Develop Change Management Plan to train and communicate changes to the annual self-assessment and Annual Declaration process to all Directors and Company Secretariat.	*Refer to page 14.*	*Refer to page 14.*	*Refer to page 14.*
Implement Part 1	• Execute Change Management Plan by providing training and communication on the changes to the annual self-assessment and Annual Declaration process and minimum Board Skills requirements. • Apply the revised annual self-assessment and Annual Declaration process to the FY25 Fit and Proper assessment.	• Training register/confirmation of communications provided to all Directors on the uplifted Fit and Proper Policy. • Revised annual self-assessment and Annual Declaration process applied for the FY25 Fit and Proper assessment, including supporting Board papers.	Chief Risk Officer	30/03/2026
Implement Part 2[1]	• Apply the annual self-assessment and Annual Declaration process as part of annual Fit and Proper assessments of Directors conducted in the **Implement Part 2 period**.	• Annual self-assessment and Annual Declaration process applied as part of Fit and Proper assessments in the **Implement Part 2 period**, including supporting Board papers.	Chief Risk Officer	09/10/2026

[1.] References to polices and processes in Implement Part 2 are to those policies in force and the processes required at the time of the Implement Part 2 activity.

6. Detailed Rectification Plan

Area of Activity	**B. Fit and Proper Assessment Process (cont.)**
Relevant recommendations	*Refer to page 14.*
Target State	*Refer to page 14.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due by date
Embed	• Conduct the internal audit referred to in Area of Activity A 'Board and Director Skills Assessment'	• Internal Audit report with management comments and closure dates.	Chief Risk Officer	30/04/2027

6. Detailed Rectification Plan

Area of Activity	**C. Board Appointments**
Relevant recommendations	• 1.6: Fit and Proper – Mechanism to Reject a Nomination • 1.7: Fit and Proper – Director Tenure Extension • 1.8: Fit and Proper – Register Relevant Interests and Duties
Target State	The Board has authority to reject director nominations, and to extend Director tenure only under exceptional circumstances, and these decisions are made through a defined process. All directors' affiliations with member or employer organisations are recorded in the Register of Relevant Interests and Duties.

Phase	Key Actions	Closure Criteria	Accountable Executive	Due date
Design	• Identify the mechanisms to allow the Board to reject a nominated Director and define examples of where acceptance is not in the best interests of the Fund and its Members, including but not limited to whether the nominated individual meets the minimum Board skills requirements. • Evaluate and agree the appropriate mechanism and document in relevant artefact. • Review and uplift the Director Appointment, Performance and Renewal Policy to specify the information that should be presented to, considered and documented by the Board when assessing and approving tenure extensions. • Review and uplift the Conflicts of Interest Policy to specify the need to formally record the Director's representative member or employer organisation in the Register of Relevant Interests and Duties. *Continued overleaf.*	• Agreed and documented mechanism to enable the Board to reject a nominated Director in exceptional circumstances. • Updated Director Appointment, Performance and Renewal Policy approved by the Board. • Updated Conflicts of Interest Policy approved by the Board. • Change Management Plan has been approved by the CRO.	Chief Risk Officer	30/09/2025

6. Detailed Rectification Plan

Area of Activity	**C. Board Appointments (cont.)**
Relevant recommendations	*Refer to page 16.*
Target State	*Refer to page 16.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due by date
Design (cont.)	• Develop Change Management Plan to train and/or communicate changes to the approval mechanisms, Director Appointment, Performance and Renewal Policy and Conflicts of Interest Policy to all Directors, Company Secretariat and other impacted stakeholders (e.g. nominating bodies).	*Refer to page 16 .*	*Refer to page 16.*	*Refer to page 16.*
Implement Part 1	• Execute Change Management Plan by providing training and communication on the changes to the approval mechanisms, Director Appointment, Performance and Renewal Policy and Conflicts of Interest Policy. • Update the Register of Relevant Interests and Duties for current Directors.	• Training register/confirmation of communications provided to all Directors, Company Secretariat and other impacted stakeholders (e.g. nominating bodies). • Director's representative member or employer organisation has been recorded in the Register of Relevant Interests and Duties.	Chief Risk Officer	30/03/2026
Implement Part 2[1]	• Apply Director Appointment, Performance and Renewal Policy and Conflicts of Interest Policy requirements to Director appointments and to any tenure extensions in the **Implement Part 2 period**, including exercising of the mechanism to reject a director nomination, if required. • Annual review of Register of Relevant Interests and Duties.	• Appointments and any tenure extensions in the **Implement Part 2 period,** have followed the Director Appointment, Performance and Renewal Policy and Conflict of Interest Policy, including Board papers and minutes. • Review of the Register of Relevant Interests and Duties has been completed and reported to Board.	Chief Risk Officer	09/10/2026

[1] References to polices and processes in Implement Part 2 are to those policies in force and the processes required at the time of the Implement Part 2 activity.

6. Detailed Rectification Plan

Area of Activity	**C. Board Appointments (cont.)**
Relevant recommendations	*Refer to page 16.*
Target State	*Refer to page 16.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due by date
Embed	• Conduct the internal audit referred to in Area of Activity A 'Board and Director Skills Assessment', including of the application of Director Appointment, Performance and Renewal Policy and Conflicts of Interest Policy requirements to Director appointments and to any tenure extensions in the **Implement Part 2 period.**	• Internal Audit report with management comments and closure dates approved by Board.	Chief Risk Officer	30/04/2027

6. Detailed Rectification Plan

Area of Activity	**D. Best Financial Interests Duty framework, policy and governance**
Relevant recommendations	• 2.1: Best Financial Interests Duty Framework – Policies and Frameworks • 2.2: Best Financial Interests Duty Framework – Partnership Agreements Policy • 6.1: Best Financial Interests Duty Framework – Governance and Reporting • 6.2: Best Financial Interests Duty Framework – Independent Chair of the Member and Employer Growth Committee (MEGC) • 6.3: Best Financial Interests Duty Framework – Industry Partnership Review Committee (IPRC) and Chief Executive Officer Reporting • 6.4: Best Financial Interests Duty Framework – Member and Employer Growth Committee Reporting
Target State	The BFID framework, including policies, process and governance, is fit for purpose for the size, business mix and complexity of the fund, is consistently understood and applied and supports expenditure decisions that are made for the sound and prudent management of the Trustee's business operations and achieve the intended purpose and stated benefit.

Phase	Key Actions	Closure Criteria	Accountable Executive	Due date
Design	• Review and uplift BFID Framework, the Partnership Agreements Policy and the Financial Delegations and Expense Policy and associated processes and procedures to ensure alignment across the suite of documents and include clear articulation and alignment of the definition and classification of expenditure. • Review and uplift the Partnership Agreement Policy to include the requirement to define quantifiable measures of success and a process for monitoring and reporting on these, as well as a clear articulation of roles and responsibilities for the lifecycle of industry partnership expenditure. • Develop guidance outlining consistent practices between the BFID Framework and the Partnership Agreements Policy. *Continued overleaf.*	• Updated aligned BFID Framework, Partnership Agreement Policy, Financial Delegations and Expense Policy and associated policies approved by the Board. • Updated processes, procedures and documented guidance associated with the BFID Framework and Partnership Agreement Policy approved by the CEO. • Agreed and documented approach to mitigate perceived and potential conflicts of interest in relation to governance of expenditure decisions. • Updated Management Committee, Board and Board Committee Charters, facilitating improved governance (including in respect of any non-compliance with industry partnership policy or process) approved by Board. • New and uplifted reporting templates approved by the CEO and sources of information identified. • Change Management Plan approved by the CEO.	Chief Executive Officer	30/09/2025

6. Detailed Rectification Plan

Area of Activity	**D. Best Financial Interests Duty framework, policy and governance (cont.)**
Relevant recommendations	*Refer to page 19.*
Target State	*Refer to page 19.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due date
Design (cont.)	• Determine the uplift required to the governance of industry partnership expenditure (including independent chairing of the MEGC for industry partnership expenditure decisions) to ensure appropriate approvals of renewals and new individual partnership agreements and monitoring, oversight and effective management of conflicts of interest and the process for reporting any non-compliance with industry partnership expenditure policy or process. • Review and uplift the Management Committee, Board and Board Committee Charters, where relevant, to reflect the changes to the governance of industry partnership expenditure. • Determine the approach to mitigate perceived and potential conflicts of interest in the governance of industry partnership expenditure. • Review and document reporting channels and uplift or introduce new reporting templates to require comprehensive reporting and increase in frequency of reporting in relation to Partnership Agreements, including any non-compliance with industry partnership expenditure policy or process, to the IPRC, MEGC and Board. *Continued overleaf.*	*Refer to page 19.*	*Refer to page 19.*	*Refer to page 19.*

6. Detailed Rectification Plan

Area of Activity	**D. Best Financial Interests Duty framework, policy and governance (cont.)**
Relevant recommendations	*Refer to page 19.*
Target State	*Refer to page 19.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due date
Design (cont.)	• Develop a Change Management Plan that will include training and communication of changes to Directors and relevant staff on the uplifted frameworks, policies, processes, procedures and reporting. This will include external parties where relevant.	*Refer to page 19.*	*Refer to page 19.*	*Refer to page 19.*
Implement Part 1	• Execute on the Change Management Plan which includes: – Communication of the revised frameworks, policies and supporting processes, procedures, guidelines and templates to relevant staff and Directors. – Provide relevant staff and Directors (and external parties where relevant) with training on the revised frameworks, policies and supporting procedures, guidelines and templates. • Apply the uplifted Partnership Agreement Policy, and associated processes and procedures to industry partnership expenditure.* • Apply the uplifted governance requirements over industry partnership expenditure to ensure appropriate approvals, monitoring, oversight and effective management of conflicts of interest.* • Prepare and submit updated reporting to the IPRC, relevant Board sub-committees and Board.	• Training register /confirmation of communications provided to all relevant stakeholders. • First reporting cycle completed with uplifted reporting provided to the IPRC, relevant Board sub-committees and Board as evidenced in relevant Committee and Board papers and minutes.	Chief Executive Officer	30/03/2026

* Initial roll-out of the policy, processes, procedures and governance requirements. Operating effectiveness of their application is assessed by the Independent Third Party's review of Implement Part 2.

6. Detailed Rectification Plan

Area of Activity	**D. Best Financial Interests Duty framework, policy and governance (cont.)**
Relevant recommendations	*Refer to page 19.*
Target State	*Refer to page 19.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due by date
Implement Part 2[1]	• Prepare Partnerships Budget proposal in accordance with the Partnerships Policy. • Prepare and submit reporting in line with approved template and frequency to the Member Experience and Growth (MEGC) Committee and Board during the Implement Part 2 period. • Regular cycle has been implemented to review the following documents annually or triennially, as appropriate, and as triggered by material changes, operating performance outcomes, incidents, risks, issues or continuous improvement opportunities. Resulting changes to the documents have been made in accordance with established governance and approval processes: – BFID Framework – Partnerships Policy – Expenditure Management Policy – Impacted Board Committee Charters – Board Charter	• Partnerships Budget proposal completed in accordance with the Partnerships Policy. • Regular reporting provided to MEGC and Board in the Implement Part 2 period as evidenced in relevant Committee and Board papers and minutes. • Review timetable includes either an annual or triennial review of the following and reviews during the Implement Part 2 period have been completed with changes approved and implemented in line with established practice: – BFID Framework – Partnerships Policy – Expenditure Management Policy – Impacted Board Committee Charters – Board Charter	Chief Executive Officer	30/06/2027[2]

[1] References to polices and processes in Implement Part 2 are to those policies in force and the processes required at the time of the Implement Part 2 activity.

[2] Evidence will be provided to the Independent Third Party progressively throughout the Implement Part 2 phase to support assessment of operating effectiveness.

6. Detailed Rectification Plan

Area of Activity	**D. Best Financial Interests Duty framework, policy and governance (cont.)**
Relevant recommendations	*Refer to page 19.*
Target State	*Refer to page 19.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due by date
Embed	• Conduct an internal audit of the uplifted frameworks, policy and governance for industry partnership expenditure. • Conduct an internal audit of the uplifted BFID framework.	• Internal Audit reports with management comments and closure dates approved by Board.	Chief Strategy Officer	31/03/2028

6. Detailed Rectification Plan

Area of Activity	**E. Partnership program operations**
Relevant recommendations	• 2.3: Best Financial Interests Duty Framework - Training • 3.1: Best Financial Interests Duty Framework – Partnership Proposals • 3.2: Best Financial Interests Duty Framework – Partnership Spend Assessment Framework • 3.3: Best Financial Interests Duty Framework – Partnership Spend Assessment Framework Review • 3.4: Best Financial Interests Duty Framework – Incorporate Partnership Spend Assessment Framework Review • 4.1: Best Financial Interests Duty Framework – Partnership Proposals and Benefits Schedule • 4.2: Best Financial Interests Duty Framework – Partnership Agreements Policy and Guidelines • 5.1: Best Financial Interests Duty Framework – Partnership Agreement Assessment Template • 5.2: Best Financial Interests Duty Framework – Partnership Agreements Monitoring Process • 5.3: Best Financial Interests Duty Framework – Monitoring of Benefits • 5.4: Best Financial Interests Duty Framework –Partner Reporting
Target State	The Partnership program, including processes, procedures and assessment models, is aligned to the BFID framework and is fit for purpose for the size, business mix and complexity of the fund, is consistently understood and supports expenditure that is in members' best financial interests both at the time of the decision and throughout the lifecycle of the expenditure.

Phase	Key Actions	Closure Criteria	Accountable Executive	Due date
Design	• Uplift the BFID training to address changes to be implemented in this Area of Activity E and Area of Activity D. • Review and uplift the guidance materials and templates for preparing partnership proposals to address the specific requirements of Recommendation 3.1. *Continued overleaf.*	• The following documents have been approved by the CMO: – Uplifted BFID training – Uplifted guidance materials and templates for preparing partnership proposals – Uplifted Partnership Spend Assessment Framework – Pulse Check and End of Period Assessment templates – Guidance material for oversight and monitoring of industry partnership agreements and at Partnerships Program level. • Board has engaged an independent third party to review the Partnership Spend Assessment Framework. *Continued overleaf.*	Chief Strategy Officer	30/09/2025

6. Detailed Rectification Plan

Area of Activity	**E. Partnership program operations**
Relevant recommendations	*Refer to page 23.*
Target State	*Refer to page 23.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due date
Design (cont.)	• Review the Partnership Spend Assessment Framework to incorporate specific guidance on the methodology, assumptions and rationale for the assessment process and detail the formal review process, as set out in Recommendation 3.2. • Review and uplift Pulse Check and End of Period Assessment templates to include a requirement for benefit reconciliations, risk and conflicts reviews and quantitative metrics. *Continued overleaf.*	• Uplifted Partnership Agreement Policy approved by the Board (see Area of Activity D). • New and renewed Partnership Agreements include a requirement for formal documented reporting and associated attestations from the partner. • Change Management Plan approved by the CMO.	*Refer to page 23.*	*Refer to page 23.*

6. Detailed Rectification Plan

Area of Activity	**E. Partnership program operations (cont.)**
Relevant recommendations	*Refer to page 23.*
Target State	*Refer to page 23.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due date

Design (cont.)	• Develop and document specific process and guidelines for (and, under Area of Activity D, amend the Partnership Agreements Policy to require):
	  • monitoring benefits, performance, conflicts and risks of the industry partnership agreements as part of the Pulse Check and End of Period Assessment; and
	  • documentation of quantitative benefits derived from partnerships to inform renewal assessment and member benefit attribution to the expected member outcomes at the individual agreement and partnership program level.
	• Appoint an independent third party to undertake a review of the Partnership Spend Assessment Framework.
	
	Continued overleaf.
			Refer to page 23.	*Refer to page 23.*

6. Detailed Rectification Plan

Area of Activity	**E. Partnership program operations (cont.)**
Relevant recommendations	*Refer to page 23.*
Target State	*Refer to page 23.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due date
Design (cont.)	• Uplift the Partnership Agreements Policy to document the requirement to include relevant qualitative and quantitative metrics for each of the benefit channels in the Partnership Proposal and Benefits Schedule to facilitate measurement and monitoring of financial benefits. • Uplift the Partnership Agreements to include a requirement for formal documented reporting and attestations from all partners at the Pulse Check and End of Period Assessment on the performance against the agreed benefits in the Benefit Schedule including the dollar value of benefits not provided and of any refunds or alternative benefits provided instead. • Develop a Change Management Plan which will include training and communication of changes to relevant staff on the uplifted frameworks, policies, processes and procedures. This will include external parties where relevant.	*Refer to page 22.*	*Refer to page 23.*	*Refer to page 23.*

6. Detailed Rectification Plan

Area of Activity	**E. Partnership program operations (cont.)**
Relevant recommendations	*Refer to page 23.*
Target State	*Refer to page 23.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due by date
Implement Part 1	• Execute Change Management Plan, including training and communication of the revised policies and supporting procedural documentation to relevant staff and Directors. • Uplift the Partnership Spend Assessment Framework as a result of any recommendations identified from the independent review. • Apply the uplifted policies, procedures, assessment model and guidelines to new Partnership Proposals and renewals. • Apply the uplifted processes for Ongoing Assessment and Monitoring of Partnership Agreements, including Pulse Checks and End of Period Assessments.	• Training register and confirmation of communications provided to relevant staff and Directors. • Independent review of the Partnership Spend Assessment Framework has been completed, final report received and recommendations have been addressed. • Independent review report on Partnership Spend Assessment Framework provided to APRA. • Partnership proposals for new partnership agreements and renewal of partnership agreements include uplifted requirements from relevant policies and procedures. • Uplifted and completed Pulse Checks and End of Period assessments are in place, including receipt of formal documented reporting from the relevant industry partners.	Chief Strategy Officer	30/03/2026
Implement Part 2 [1]	• Apply the approved policies, procedures, assessment model and guidelines to new Partnership Proposals and renewals in the Implement Part 2 period. • Apply the approved processes for Ongoing Assessment and Monitoring of Partnership Agreements, including Pulse Checks and End of Period Assessments in the Implement Part 2 period. *Continued overleaf.*	• Partnership proposals for new partnership agreements and renewal of partnership agreements follow requirements from relevant policies and procedures in the Implement Part 2 period. • Pulse Checks and End of Period assessments follow the approved processes in the Implement Part 2 period, including receipt of formal documented reporting from the relevant industry partners. *Continued overleaf.*	Chief Strategy Officer	30/06/2027 [2]

1. References to polices and processes in Implement Part 2 are to those policies in force and the processes required at the time of the Implement Part 2 activity.
2. Evidence will be provided to the Independent Third Party progressively throughout the Implement Part 2 phase to support assessment of operating effectiveness.

6. Detailed Rectification Plan

Area of Activity	**E. Partnership program operations (cont.)**
Relevant recommendations	*Refer to page 23.*
Target State	*Refer to page 23.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due by date

Implement Part 2[1]	• Regular cycle has been implemented to review the following documents annually or triennially, as appropriate, and as triggered by material changes, operating performance outcomes, incidents, risks, issues or continuous improvement opportunities. Resulting changes to the documents have been made in accordance with established governance and approval processes:
	  • Uplifted BFID training
	  • Uplifted Partnership Assessment Framework
	  • Pulse Check and End of Period Assessment templates
	  • Guidance material for oversight and monitoring of industry partnership agreements.
		• Review timetable includes either an annual or triennial review of the following and reviews during the Implement Part 2 period have been completed with changes approved and implemented in line with established practice:
		  – Uplifted BFID training
		  – Uplifted Partnership Assessment Framework
		  – Pulse Check and End of Period Assessment templates
		  – Guidance material for oversight and monitoring of industry partnership agreements.
			Chief Strategy Officer	30/06/2027[2]

1. References to polices and processes in Implement Part 2 are to those policies in force and the processes required at the time of the Implement Part 2 activity.
2. Evidence will be provided to the Independent Third Party progressively throughout the Implement Part 2 phase to support assessment of operating effectiveness.

6. Detailed Rectification Plan

Area of Activity	**E. Partnership program operations (cont.)**
Relevant recommendations	*Refer to page 23.*
Target State	*Refer to page 23.*

Phase	Key Actions	Closure Criteria	Accountable Executive	Due by date
Embed	• Conduct the Partnerships Expenditure Internal Audit referred to in Activity Area D.	• Internal Audit report with management comments and closure dates approved by Board.	Chief Strategy Officer	31/03/2028

6. Detailed Rectification Plan

Area of Activity	**F. Review of past partnership expenditure decisions that were in scope of the independent review**
Relevant recommendations	7.1: Assessment of Past Expenditure Decisions
Target State	The Trustee can demonstrate whether past expenditure decisions have been for the sound and prudent management of The Trustee's business operations and whether they achieved the intended purpose and stated benefit.

Phase	Key Actions	Closure Criteria	Accountable Executive	Due date
Design	• Develop and document a plan for the Trustee to review and reassess the past Expenditure Decisions that were the subject of the Independent Review, applying the uplifted frameworks, policies, processes and procedures outlined in the Areas of Activity D and E . The plan is to include the steps to be taken if a decision on review is different from the past Expenditure Decision.	• Past Expenditure Review Plan approved by the Board.	Chief Strategy Officer	28/02/2026
Implement	• Complete the Past Expenditure Review Plan, including the re-consideration of revised partnership proposals by the MEGC (or other relevant Board sub-committee, or by the Board if the proposal is material once reassessed) of the uplifted proposals for the past expenditure decisions. • Determine any remedial action required upon finalisation of the re-assessment.	• All Past Expenditure Decisions included in the Past Expenditure Review Plan have been reviewed and re-assessed by the MEGC (or other relevant Board sub-committee, or by the Board if material) as evidenced by the Board Committee and/or Board papers and minutes. • Outcomes of the review and re-assessment of the past Expenditure Decisions have been reported to the Executive Leadership Team and the Trustee Board, including the agreed actions for remediation (if required).	Chief Strategy Officer	09/10/2026

Appendix 1: Recommendations from Independent Review

Recommendation	Details
Design of Fit and Proper Arrangements	
Recommendation 1.1	Revise the rating scale guidance for the Board Skills Assessment to place more emphasis on practical experience and provide firmer guidance on the experience required to justify each rating. Consider increasing the number of rating options to provide more flexibility for Directors and to better capture differing degrees of skills and experience.
Recommendation 1.2	Establish a process that allows for greater degree of review and challenge of annual Director Skills Assessments by the Company Secretariat and ultimately the Chair of the Board to ensure consistent and accurate application of the assessment criteria.
Recommendation 1.3	Uplift the annual assessment to include a more rigorous review by the Company Secretariat of the Director self-assessment to confirm that there are no other factors that may inform the assessment of the ongoing fit and proper assessment to complement the existing Director declaration.
Recommendation 1.4	Document, within the Fit and Proper Policy, a requirement for the Company Secretariat to review and assess the information submitted by Directors in their Annual Declaration, as part of the annual assessment of fit and proper.
Recommendation 1.5	Establish a process to document and retain records of the fit and proper checks completed as part of the annual assessment, including the outcome of the review of Directors' declarations.
Recommendation 1.6	Establish a formal mechanism for the Board to reject a nominated individual in exceptional circumstances.
Recommendation 1.7	Update the Director Appointment, Performance and Renewal Policy to specify the information that should be presented to, considered and documented by the Board when assessing and approving tenure extensions.
Recommendation 1.8	Formally record the Director's representative member or employer organisation in the Register of Relevant Interests and Duties.

Source: Independent Review, United Super Pty Ltd as trustee for the Construction and Building Unions Superannuation Fund (November 2024) – Deloitte

Appendix 1: Recommendations from Independent Review

Recommendation	Details
Design and Operation of the Best Financial Interests Duty Framework	
Policies and Frameworks	
Recommendation 2.1	Review and uplift the Best Financial Interests Duty Framework, Partnership Agreements Policy and Financial Delegations and Expense Policy to: a) Set out and align the classification and definition of expenditure in relation to the Best Financial Interests Duty. b) Align the Best Financial Interests Duty Framework and the Partnership Agreements Policy. c) Clearly outline which policy or framework applies for each type of expenditure decision, including associated templates.
Recommendation 2.2	Review and uplift the Partnership Agreements Policy (and any associated documents) to: a) Align the classification and definition of expenditure to the Best Financial Interests Duty Framework and other related policies and frameworks. b) Document the requirement to align expenditure to the Trustee's relevant financial year Corporate Plan (including the relevant strategic pillars). c) Document how to quantify measures of success (defined in the Partnership Proposal) including the expected outcomes to Members and any differences across cohorts. d) Outline the process for monitoring and documenting measures of success. e) Outline the detailed Best Financial Interests Duty information that must be incorporated into the Partnership Proposal (aligned with the Best Financial Interests Duty Assessment templates). f) Clearly set out the roles and responsibilities for the preparation, review and approval of the Partnership Proposals, Partnership Agreements and Benefit Schedules, including the ongoing lifecycle of oversight and monitoring. g) Insert detailed guidance on the information and steps that form the Best Financial Interests Duty Assessments.
Recommendation 2.3	Uplift the Best Financial Interests Duty training to: a) Include the recommendations for the Best Financial Interests Duty Framework and policies in this Report. b) Incorporate the requirements of the Partnership Agreements Policy. This should include the process for preparing covering proposals, review, approval, oversight and reporting for industry partnerships expenditure.

Source: Independent Review, United Super Pty Ltd as trustee for the Construction and Building Unions Superannuation Fund (November 2024) – Deloitte

Appendix 1: Recommendations from Independent Review

Recommendation	Details
Proposals and Supporting Analysis and Frameworks	
Recommendation 3.1	Uplift the Partnership Proposals (and related material under the Best Financial Interests Duty Framework) to include specific guidance (refer to the recommendation for detail as to what this specific guidance includes).
Recommendation 3.2	Uplift the Partnership Spend Assessment Framework to provide specific guidance on the methodology, assumptions and rationale for the assessment process.
Recommendation 3.3	Define and document a formal review process for the Partnership Spend Assessment Framework.
Recommendation 3.4	Include the Partnership Spend Assessment Framework as part of the fund level model review, or equivalent, process.
Partnership Agreement and Benefit Schedule	
Recommendation 4.1	Update the Partnership Proposals and Benefits Schedule to enable the incorporation of relevant qualitative and quantitative metrics for each of the benefit channels.
Recommendation 4.2	Update the Partnership Agreements Policy (or an associated procedure document) with guidelines on how to apportion relevant qualitative and quantitative metrics (including dollar value) for each of the Benefit Channels within the Benefit Schedule and Partnership Proposal to enable the monitoring of financial benefits received or not received during the benefit period.

Source: Independent Review, United Super Pty Ltd as trustee for the Construction and Building Unions Superannuation Fund (November 2024) – Deloitte

Appendix 1: Recommendations from Independent Review

Recommendation	Details
Ongoing Assessment and Monitoring of Partnership Agreements	
Recommendation 5.1	Uplift the assessment template to support robust oversight and monitoring of the benefits and the intended Member outcomes of the Partnership Agreements and Benefits Schedule.
Recommendation 5.2	Within the Partnership Agreements Policy, or associated procedure, include specific process and guidelines in relation to monitoring of benefits, conflicts and risks as part of the Pulse Check and End of Period Assessment.
Recommendation 5.3	Uplift the benefits section within the Partnership Agreement, Benefit Schedule and Partnership Proposal to incorporate the dollar value attributable to each benefit channel, enabling effective monitoring of benefits to be paid or refunded.
Recommendation 5.4	Uplift the Partnership Agreements to include a requirement for formal documented reporting and attestations from partners (including Construction, Forestry and Maritime Employees Union) at the Pulse Check and End of Period Assessment points, to facilitate robust reconciliation and validation of the benefits provided.
Governance and Reporting of Industry Partnership Expenditure Decisions	
Recommendation 6.1	Incorporate within the Partnership Agreements Policy, and in relevant Management Committee and Board Committee Charters, requirements or Board delegations, where applicable, for: a) The Industry Partnership Review Committee and Chief Executive Officer to recommend proposals for new Partnership Agreements and material changes to Partnership Agreements, regardless of the value of the expenditure, to the Member and Employer Growth Committee for approval. b) The Industry Partnership Review Committee and Chief Executive Officer to approve renewals of Partnership Agreements and immaterial changes to Partnership Agreements. c) The Member and Employer Growth Committee to approve proposals for new individual Partnership Agreements regardless of the value of the expenditure. and material changes to Partnership Agreements.

Source: Independent Review, United Super Pty Ltd as trustee for the Construction and Building Unions Superannuation Fund (November 2024) – Deloitte

Appendix 1: Recommendations from Independent Review

Recommendation	Details
Recommendation 6.2	Amend the Board Charter, the Member and Employer Growth Committee Charter, and related governance documents, to include a requirement for the Chair of the Member and Employer Growth Committee to be an independent Director.
Recommendation 6.3	Uplift the reporting from the Industry Partnership Review Committee and Chief Executive Officer to the Member and Employer Growth Committee, and increase the frequency, to provide comprehensive quarterly reporting which includes: a) An overview of the Pulse Check and End of Period Assessments results for all Partnership Agreements, including analysis of qualitative and quantitative metrics to support overall performance, tracking against or achievement of the stated Member outcome and strategic initiatives, any identified breaches and actions to remediate (if applicable). b) All Partnership Agreements that have been renewed including a summary of the completed assessment which supported the renewal, the partner performance over the period (with an analysis of qualitative and quantitative metrics) and confirmation as to whether the stated Member outcomes of the Partnership Agreement during the prior period were achieved.
Recommendation 6.4	Uplift the reporting from the Member and Employer Growth Committee to the Board on a quarterly basis, to include: a) A summary of all new Partnership Agreements, renewed Partnership Agreements and Partnership Agreements which have materially changed, which were approved by either the Industry Partnership Review Committee and Chief Executive Officer or the Member and Employer Growth Committee during the quarter. This includes an overview of the assessment, and relevant metrics, supporting how the stated Member outcome would be achieved and how it is in Members' best financial interests. b) A summary of all current Partnership Agreements, including the qualitative and quantitative metrics to support the performance of the partner against the Partnership Agreement and Benefits Schedule (with tracking against or achievement of the stated Member outcome and strategic initiative).
Assessment of Past Expenditure Decisions	
Recommendation 7.1	The recommendations (2.1 to 6.4) as detailed above and explained in section 6.1 of the Independent Review, provide for a systemic uplift in the ability of the Trustee to make decisions in line with the BFID requirements. Once these recommendations have been actioned, the Trustee should review and reassess the past Expenditure Decisions which have been the subject of this Review.

Source: Independent Review, United Super Pty Ltd as trustee for the Construction and Building Unions Superannuation Fund (November 2024) – Deloitte

Appendix 2: Rectification Plan Version Control

Version	Date	Description of Change
Rectification Plan 31 January 2025	31/1/2025	Original issue
Rectification Plan 23 December 2025	23/12/2025	**Updated to reflect APRA-approved rectification plan changes, including:** • Accountability of the Chief Strategy Officer for industry partnerships. • Changes to executive accountabilities for the Embed Phase of Stream D. • Revised due dates for the Design and Implement phases of Stream F.
Rectification Plan 30 September 2026	30/9/2026	**Updated to reflect APRA-approved rectification plan changes, including:** • Executive Steering Committee membership. • Definition of plan phases, including adding an Implement 2 phase. • New or revised activity, closure criteria and due dates for the Implement 2 and Embed phases of Areas of Activity A to E. • Revised due date for the Implement phase of Area of Activity F.