cbus super

40 years of making hard work pay off

84

24



This Cbus Annual Integrated Report is issued by United Super Pty Ltd ABN 46 006 261 623 AFSL 233792 as trustee for the Construction and Building Unions Superannuation Fund (also referred to as Cbus Super/Cbus) ABN 75 493 363 262 offering Cbus and Media Super products (Cbus, Cbus Super and/or Media Super). This information is about Cbus and 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 Product Disclosure Statement (PDS) and the relevant Target Market Determination to decide whether Cbus is right for you. These documents are available on our website or by calling us. Please phone 1300 361 784 or visit cbussuper.com.au for a copy. We work hard to ensure that all information contained in this report for the year ended 30 June 2024, was correct as at its approval date of 24 October 2024.

The Trustee, Cbus or our advisers don't accept responsibility for any error or misprint, or for any person who acts on the information in this report. Past performance isn't a reliable indicator of future performance. Any case studies we've provided are for illustration only. All quotes included from members or employers express the views of those individuals. The use of 'us', 'we', 'our' or 'the Trustee' is a reference to United Super Pty Ltd. Use of 'Fund' refers to Cbus Super Fund, which offers Cbus and Media Super products. Cbus Property Pty Ltd (referred to as Cbus Property) is a wholly owned entity of United Super Pty Ltd as Trustee for the Construction and Building Unions Superannuation Fund and is responsible for the development and management of a portfolio of Cbus Super's property investments. Insurance is issued under a group policy with our insurer, TAL Life Limited ABN 70 050 109 450 AFSL 237848. All figures stated are as at 30 June 2024 unless otherwise stated.

Quotes

This report includes quotes taken from Holt, P. An Oral History of Cbus Published by the National Centre for Australian Studies, Monash University for the Conference of Major Superannuation Funds Pty Ltd, 1996. Quotes are attributed to the contributor to this publication.

Crediting Rates

When we talk about returns in our reports we use crediting rates. All figures stated are as at 30 June 2024. Our investment option returns are based on the crediting rate, which is the return minus investment fees and until 31 January 2020, the percentage-based administration fee. Excludes fees and costs that are deducted directly from members' accounts. The inception date for the Growth (MySuper) investment option is 1 July 1984. Past performance isn't a reliable indicator of future performance.

Chant West^

The Zenith CW Pty Ltd ABN 20 639 121 403 AFSL 226872/AFS Rep No. 1280401 Chant West rating (Pension and Super assigned February 2024) is limited to General Advice only and has been prepared without considering your objectives or financial situation, including target markets where applicable. The rating is not a recommendation to purchase, sell or hold any product and is subject to change at any time without notice. You should seek independent advice and consider the PDS or offer document before making any investment decisions. Ratings have been assigned based on third party data. Liability is not accepted, whether direct or indirect, from use of the rating. Past performance is not an indication of future performance. Refer to Chant West chantwest.com.au/ for full ratings information and our FSG chantwest.com.au/financial-services-guide. Chant West Awards issued 22 May 2024 are solely statements of opinion and not a recommendation in relation to making any investment decisions. Awards are current for 12 months and subject to change at any time. Awards for previous years are for historical purposes only. Full details on Chant West Awards at chantwest.com.au/fund-awards/about-the-awards

SuperRatings*

The rating is issued by SuperRatings Pty Ltd (SuperRatings) ABN: 95 100 192 283 a Corporate Authorised Representative (CAR No.1309956) of Lonsec Research Pty Ltd ABN 11 151 658 561, AFSL No. 421445 (Lonsec Research). 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 use proprietary criteria to determine awards and ratings and may receive a fee for the use of its ratings and awards. Visit superratings.com.au for ratings information.
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Lonsec*

The ratings issued May 2024 is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). 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 Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2024 Lonsec. All rights reserved.

Our front cover imagery reflects our past, and the present.

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Our heritage

Forty years ago, less than 40% of people employed in the private sector in Australia had some form of superannuation – mainly professionals, or those who could afford to pay to be in an employer scheme, often with restrictive terms and conditions.

The majority of people went to work, got paid, then they retired and lived week to week on the pension. In 1983, building and construction workers and their unions across Australia, decided to change the retirement pathway for working people.

It took a total of 55,000 collective days of industrial action to establish a truly national, industry superannuation scheme. Building Unions Superannuation (BUS), later Cbus, commenced operating on 1 July 1984. It was hard fought for.

The sacrifice made by these workers was all the greater considering that many of them were already well into their working lives and would not reap the benefits of 40 years of savings and compounded interest for their retirement.

Their leaders understood the need for a new model of superannuation to meet the retirement needs of these workers. Central to it was equal representation, where workers' representatives and later, employers, drawn from the industry, made up the board of trustees.

It would be one that was portable and made sure all profits went to members. One that was administered in members' interests keeping costs low, and that sought out affordable and meaningful death and disability insurance cover for members, inside and outside of work.

At the time it was revolutionary. Employers initially made weekly contributions into employees' accounts of $9 in super, $1 for insurance and $1 for administration.

The Fund commenced with around 30,000 members and rapidly grew to 90,000 by December 1985, becoming the biggest private super fund in Australia at the time as more and more construction and building workers got on the BUS.

It established the model that was taken up by other unions, workers and employers in other industries – the industry fund model.

By the end of 1990, 80% of the Australian workforce had superannuation paving the way in 1992 for superannuation, to become universal in Australia with the passing of the Superannuation Guarantee legislation.



> "If you have a look at it now, lots of workers have retired with quite a handsome retirement fund. I'm pleased with that."
>
> BARRY FITTON, UNION OFFICIAL, FOUNDING MEMBER [1].

[1] Refer to page 2 for further information regarding quotes.

40 years of hard work

> "The original BUS as it was then,… it was revolutionary. It was the first industry super fund. It was the first time, probably, that employers contributed to a fund for workers."
>
> JOHN ELDER, FORMER EXECUTIVE DIRECTOR OF THE MBA NSW INTERVIEWED – 21 SEPTEMBER 1994[1]

1980s

Workers and unions in the 80s campaigned for 55,000 days in total to secure super as an entitlement.



1984: The Building Unions Superannuation Scheme (BUS) is established, the first model of a modern superfund

Chair: Garry Weaven

Secretary: Mike Mackay

Tom McDonald designs the Fund's insurance



30,000 members joined in the first month of the Fund

$9 a week is the super contribution for every worker

BUS is established, providing eligible workers with super and death cover.

1987: Total and permanent disability cover is introduced

$50m Funds under management



1990s



Mavis Robertson appointed Secretary

1992: Paul Keating introduces compulsory super

1993: Ian Court takes over as Chair



Name changes to C+BUS

1996:

$1.4b Funds under management

290K MEMBERS



1996: Bernie Fraser becomes an Independent Director

1996: C+BUS becomes a full Public Offer Fund

Vultures Industry campaign launched highlighting how commissions-based funds deprive their members of retirement savings

1997: Investment Choice option introduced to the Fund

Helen Hewitt appointed as Secretary

1999: Bernie Fraser 'Super of the future' campaign

2000s



317K MEMBERS

Super guarantee increases to 9%

2001: C+BUS becomes Cbus

2001: Cbus website launches



2002: Hon Ralph Willis appointed Chair

2004: Sandy Grant becomes Fund Secretary and CEO

2004:

$3.7b Funds under management

340K+ MEMBERS

Cbus leads the collective industry campaign 'Compare the pair' highlighting industry fund performance.



2005: Compare the Pair 'Construction' launched

2006: Cbus Property established



2010s

2008: David Atkin becomes CEO

2010: CONNECT merger

Hon. Steve Bracks AC becomes Chair

2010 – Super guarantee to increase from 9% to 12% by 2025

2014: Cbus launches Cbus app

2014: Newly built stadium in Queensland is named Cbus Stadium

2015: First Annual Integrated Report produced

2016: Senate Inquiry into unpaid super

2017:

$40b Funds under management

750K+ MEMBERS

2020s

2020: Justin Arter appointed CEO

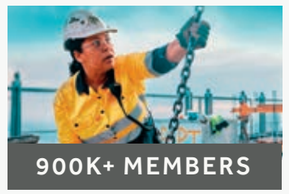
2022: "Making Hard Work Pay Off" campaign launched

2022: Media Super Merger

2022: Hon. Wayne Swan appointed Chair

2023: EISS merger Kristian Fok appointed CEO

2024: Wins Chant West Specialist Fund of the Year for the fifth year running^



900K+ MEMBERS

$94.7b Funds under management

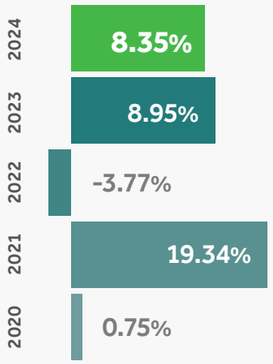
[1] Refer to page 2 for further information regarding quotes.

^ Refer page 2 for further information about this award.

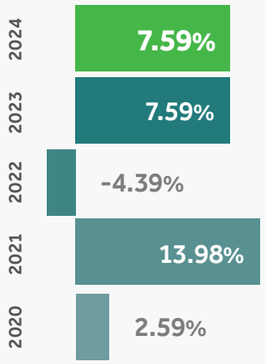
Our FY24 performance

Our performance has been strong across a range of key areas. Our investment return for the Growth (My Super) option of 8.35%[2] in FY24 was a solid result. We were recognised as Specialist Fund of the Year for the fifth year by Chant West^.

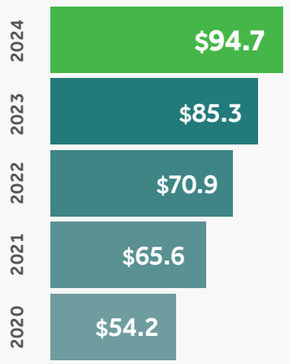
SUPERANNUATION RETURNS
Growth (MySuper) Default Option



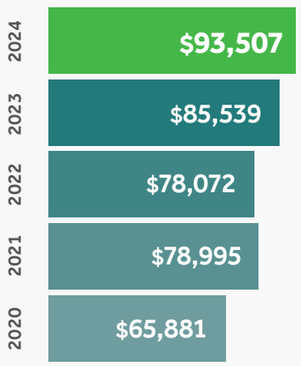
SUPER INCOME STREAM (FULLY RETIRED) RETURNS
Conservative Growth Default Option



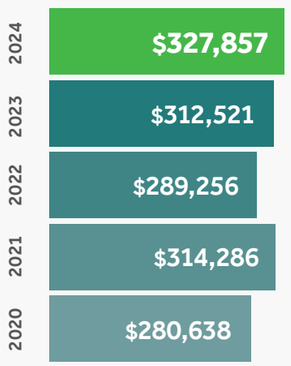
TOTAL FUNDS UNDER MANAGEMENT
$Billion



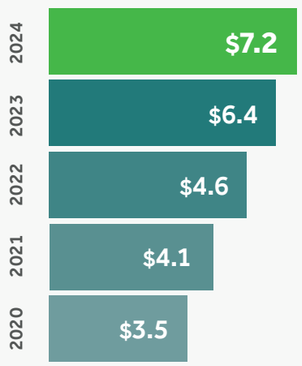
AVERAGE MEMBER SUPER ACCOUNT
Balance as at 30 June



AVERAGE SUPER INCOME STREAM ACCOUNT
Balance as at 30 June



SUPER INCOME STREAM FUNDS UNDER MANAGEMENT
$Billion



[2] The Growth (MySuper) investment option return is based on the crediting rate, which is the return minus investment fees and until 31 January 2020, the percentage-based administration fee. Excludes fees and costs that are deducted directly from members' accounts. Past performance isn't a reliable indicator of future performance.

^ Refer to page 2 for further information about this award.

PERFORMANCE

CREDITING RATES
The investment option returns are based on the crediting rate, which is the return minus investment fees and until 31 January 2020, the percentage-based administration fee. Excludes fees and costs that are deducted directly from members' accounts. Past performance isn't a reliable indicator of future performance.

GROWTH (MYSUPER) INVESTMENT OPTION

8.87%

Since inception

1 year – 8.35% | **5 yrs p.a.** – 6.43%
7 yrs p.a. – 7.15% | **10 yrs p.a.** – 7.73%

CBUS PROPERTY RETURNS

12.92%

Since inception

1 year – (5.81)% | **3 yrs p.a.** – 2.04%
5 yrs p.a. – 5.05% | **10 yrs p.a.** – 12.24%

Cbus Property is responsible for the development and management of a portfolio of Cbus Super's property investments. Cbus Property investments are part of the property asset class in the High Growth, Growth Plus, Growth (My Super), Conservative Growth, Conservative and Property investment options. Returns from these investments form part of the crediting rates allocated to accounts invested in these options. Past performance is not a reliable indicator of future performance.

SATISFACTION

MEMBER SATISFACTION

7.5

(7.3 in 2023)

Based on the average of all service scores from members who interacted with the Fund during the period 1 July 2023 to 30 June 2024. Scores are rated out of 10.

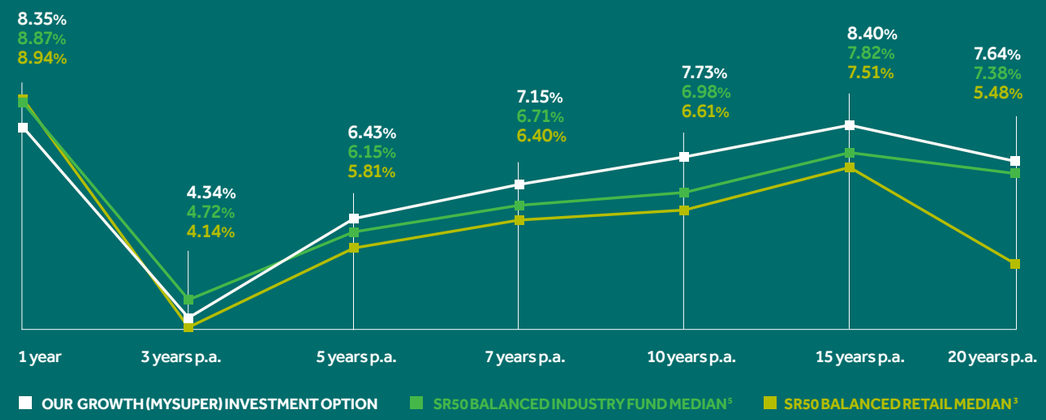
EMPLOYER SATISFACTION

5.2

(5.3 in 2023)

Based on the average of all service scores from employers who interacted with the Fund during the period 1 July 2023 to 30 June 2024. Scores are rated out of 10.

OUR GROWTH (MYSUPER) INVESTMENT OPTION VS SR50 BALANCED INDUSTRY FUND MEDIAN AND SR50 BALANCED RETAIL MEDIAN



[3] SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60-76) Index June 2024. SuperRatings is a ratings agency that collects information from super funds to enable performance comparisons – visit superratings.com.au

Our reporting suite

Our Annual Integrated Report is produced in accordance with the International Financial Reporting Standards (IFRS) Foundation's Integrated Reporting Framework.

It is a concise communication about how our strategy, governance, performance and prospects create value for our members and other stakeholders.

It focuses on the issues that matter to our stakeholders, and looks at how we manage risk and make investment decisions. It reviews developments and achievements at Cbus over the last 12 months, while explaining how we view, and are strategically responding to, our operating environment to create value over the short, medium and long term.

Our strategic pillars

Throughout the Report we use these icons to represent the Strategic Pillars of our strategy.

- **Strong long-term returns**
- **Service and product**
- **People**
- **Sustainable growth**
- **Operating efficiency and resilience**

Our Six Capitals

Throughout the Report we use the following icons to highlight where we use, transform or produce the six Integrated Reporting Capitals:

- **Financial Capital** Funds available to Cbus.
- **Human Capital** Our people.
- **Natural Capital** The earth's resources.
- **Intellectual Capital** Our systems and processes.
- **Manufactured Capital** Our buildings and infrastructure.
- **Social & Relationship Capital** Our partnerships and networks.

Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) were launched in 2015 and are focused on creating a world with peace and prosperity for people and the planet, both now and in the future. The 17 SDGs can be expanded to 169 underlying targets, all aimed at reducing poverty or addressing the barriers that prevent the creation of a sustainable world without poverty. We make a contribution to the following Sustainable Development Goals:

- **Gender equality** Achieve gender equality and empower all women and girls.
- **Affordable & clean energy** Ensure access to affordable, reliable, sustainable and modern energy for all.
- **Decent work & economic growth** Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all.
- **Industry, innovation & infrastructure** Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.
- **Reduced inequalities** Reduce inequality within and among countries.
- **Sustainable cities and communities** Make cities and human settlements inclusive, safe, resilient and sustainable.
- **Responsible consumption and production** Ensure sustainable consumption and production patterns.
- **Climate action** Take urgent action to combat climate change and its impacts.

Online supplements

This report forms part of our reporting suite, that addresses the needs of our diverse stakeholders. The information we have provided reflects our commitment to operating with integrity and transparency. Our online supplements provide more detailed information on Responsible Investment, Governance, Stakeholder Engagement, and Financial Performance, and can be found here:

cbussuper.com.au/about-us/annual-report

Responsible Investment

Provides information about how we integrate the consideration of material Environmental, Social and Governance (ESG) risks and opportunities into investment decision making processes, actively steward investments and contribute to shaping the systems in which we operate and invest. Prepared with reference to the Task Force on Climate-related Financial Disclosures (TCFD) 2021 framework, and consideration of the Australian Securities & Investments Commission's Greenwashing information sheet (INFO 271).

Annual Financial Report

The Annual Financial Report is prepared in accordance with relevant legislative requirements, Australian Accounting Standards, and provisions of the Trust Deed.

Governance

Provides additional information about the Governance Framework at Cbus and Cbus Property.

Cbus Property Sustainability Report

This Report prepared by Cbus Property provides information on Cbus Property's approach to sustainability performance.

Stakeholder Engagement and Materiality

Provides detail on our approach to engagement and how we determine what matters most to our stakeholders. The result of this engagement informs our value creation and assists in identifying the Fund's material issues.

KPMG

KPMG were engaged to provide limited assurance over the Cbus Annual Integrated Report pages 8 to 67 in accordance with the **International Financial Reporting Standards (IFRS) Foundation's Integrated Reporting Framework.** The assurance report is presented on pages 74 to 75.

Who we are

Cbus has been part of the Australian building and construction and related sectors for 40 years.

Today, we are an award-winning fund, and one of Australia's largest industry super funds, managing more than $94 billion of superannuation for more than 900,000 members.

Our mission is to deliver the best possible retirement outcomes for our members and be the number one specialist super fund in our target sectors.

Our strategy is centred around five strategic pillars, all of which are linked to how we deliver value for our members.

You can read more about our strategy and FY24 progress on pages 26 to 29.

TOTAL FUNDS UNDER MANAGEMENT

$94.7b

2022 – $70.9b **2023 –** $85.3b

↑ **UP BY 11%**

TOTAL MEMBERS WITH BALANCE

906,270

2022 – 845,414 **2023 –** 894,974

↑ **UP BY 1.26%**

NUMBER OF EMPLOYERS

226,728

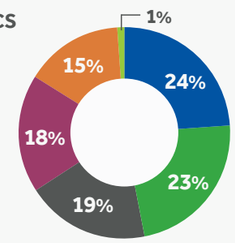
2022 – 214,764 **2023 –** 219,270[2]

↑ **UP BY 3.40%**

MEMBER DEMOGRAPHICS

41 Average member age

2022 – 40 | 2023 – 41



We are passionate about our members and recognise the trust they place in us to look after their retirement savings.

Through our deep and trusted relationships with our sponsors and partners we understand and are active in our members' industries, maintaining a specialist focus that serves our members' needs. Our sponsors are the unions and associations representing our members and employers, in line with the United Super Pty Ltd Constitution.

They include:

ACTU
Australian Council of Trade Unions

AMWU
Australian Manufacturing Workers' Union

AWU
Australian Workers Union

CEPU
Communication Electrical Plumbing Union

CFMEU
Construction, Forestry and Maritime Employees Union

MBA
Master Builders Australia

We also recognise the role played by our many and various industry partners, including:

AMWU
Print Division

ETU
Electrical Trades Union of Australia

MEAA
Media Entertainment and Arts Alliance

NECA
National Electrical and Communications Association

Print and Visual Communications Association

Screen Producers Australia

[2] The number of emaployers includes all employers who have made contributions in the past 18 months. FY23 has been restated to reflect this methodology.

What makes us different

Our members are predominantly from the building and construction, energy and related sectors, with a high proportion of members working in higher risk occupations. We also have members in the printing, media, entertainment and arts industries.

Their occupations tend to be more itinerant in nature and are more at risk of unpaid super. These unique characteristics mean we are focused on:

Our specialist focus - tailoring products and services to meet the needs of our members who build, power, drive, mine and create things in Australia. We provide access to affordable personal insurance that provides them with financial protection, even for those working in hazardous occupations.

Our face-to-face service and assistance - to members on site, and in our offices located across Australia. We are committed to interacting with our members in a simple, timely and effective manner and providing them with options on how to interact with us.

Our member advice and education - ensuring they are equipped to make informed decisions to create financial security for their retirement; and

As a significant long-term investor in the Australian/real economy - we invest back directly and indirectly into the industries our members work in. We invest in our members' best interests, directly and via unique vehicles such as our wholly owned entity Cbus Property, and our investment in Fulcrum Media Finance.

Our values



Awards & ratings

Chant West^
5 Apples, Highest Quality Fund for Super and Pension 2024

Specialist Fund of the Year Winner 2020 – 2024

Best Fund: Member Services Winner 2023 – 2024

Best Fund: Responsible Investment Winner 2024

Lonsec+
Highly recommended rating for Accumulation and Super Income Stream investment options: High Growth, Growth Plus, Growth, Conservative Growth and Conservative.

Recommended rating for Cash (Accumulation and Super Income Stream)

SuperRatings*
Platinum Rating and Sustainable recognised for all Cbus Super products, including Cbus SIS.

5, 10 and 15-year Platinum Performance relates to the MySuper product.

Rainmaker
AAA Quality Rating 2024
ESG Leader Rating 2024

^,+,* Refer to page 2 for further information about each of these respective ratings and awards.

Chair message

It is an enormous privilege to be Chair of Cbus as we celebrate our 40th anniversary of the founding of the industry fund for workers by workers.

Reflecting on our heritage

For forty years, Cbus has understood the purpose of super - *to preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way* - and has welcomed the Government's proposed bill to codify the objective in law, which received bipartisan support in the House of Representatives.

Prior to the introduction of superannuation, growth assets such as shares were almost exclusively held by the top 10% of income earners in Australia.

Today, the Australian superannuation system is the fourth largest pension scheme in the world, with more than $3.9 trillion[5] in retirement savings under management.

With compulsion and preservation as its foundations, it has fundamentally altered the distribution of wealth providing working people with a stake in our nation's major infrastructure, commercial property, and companies, as well as exposure to global assets.

The industrial campaigning back in 1984 led the way in establishing a new compulsory industry-based employer funded superannuation scheme. The scheme by design championed equality, with all profits going to members, equal representation for employers and employees, fully portable and low fees.

From initial contributions starting at $9 a week, Cbus today, is one of the largest super funds in Australia[6], approaching $100 billion in FUM and has delivered annual average returns of 8.87%[7] for members over the past 40 years.

As a major fund in the building and construction industry, we recognise the important role we play in the economy, and the opportunity we have to sustainably invest in Australia's future, including housing and energy transition projects, delivering strong, sustainable returns for our members.

Of course, you cannot disrupt a system, grow to such significance, nor turn 40 without experiencing some adamant opposition, growing pains and valuable lessons as you go. Industry Super, and Cbus, are now well established, but we must keep renewing it, improving it, and entrenching it to make it even better.

Reflecting on our performance

In FY24, the Fund delivered investment returns of 8.35%[7] and is amongst the top performing super funds over the past 10, 15 and 20 years[8]. The Fund was recognised as the Chant West 'Specialist Fund of the Year' for the fifth year in a row[9] demonstrating our commitment to delivering tailored products and solutions for our members.

A key focus area of the Board is to provide members often working in hazardous occupations with the help, advice, education and insurances they need, to get the most out of their super.

We recognise the importance of members having access to their benefits when they need it. We are pleased at early indicators that service improvements will lead to reductions in delays in processing insurance claims. This work remains a priority for the coming year as there is still more to do to remedy affected members.

And we must do more to assist members transitioning to and in retirement, by providing advice, products and assistance that help them optimise their incomes and options.

Governance

We remain committed to acting in the best interest of our members, including ensuring Cbus' governance framework aligns with and reflects regulatory developments and best practice standards.

Board changes

Following the retirement of Member Director Misha Zelinsky in August 2023 we welcomed Kade Wakefield to the Board in September 2023.

In August 2024, Directors Rita Mallia, Dave Noonan and Jason O'Mara left the Board. The search and appointment for new Directors is ongoing and a matter for the CFMEU National Executive, one of the Fund's sponsoring organisations. We thank Misha, Rita, Dave, and Jason for their dedicated service to the Fund.

We acknowledge the hard work of the entire Cbus team and support the CEO and his Executive team have provided, in ensuring they all continue to live the Cbus values and to keep earning the trust that our members place in us.

The Board acknowledges its responsibility for the content and integrity of this Annual Integrated Report, which was approved for release in October.



WAYNE SWAN
FUND CHAIR

[5] APRA 30 June statistics. [6] APRA Annual fund-level superannuation statistics 13 December 2023. [7] As at 30 June 2024. Investment performance is 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 that are deducted directly from members' accounts. Past performance is not a reliable indicator of future performance. [8] The Growth (MySuper) investment option obtained top quartile performance ranking over 10, 15 and 20 year periods from the SuperRatings FCRS SR50 Balanced (60-76) Index, for the period ending 30 June 2024. Past performance is not a reliable indicator of future performance. [9] Awarded by Chant West on 22 May 2024. Refer to page 2 for further information about this award.





We delivered 8.35% and now manage over $94 billion in retirement savings for our members.

CEO message

As I reflect on the progress and achievement of the Fund in FY24 it is the unwavering commitment to deliver the best possible outcomes for our members that has driven the people of this Fund since its founding.

Strategy and performance

Our strategy builds on the foundations laid by our founders, to deliver the best retirement outcomes for our members and be the leading specialist fund for our chosen sectors.

In FY24, we delivered 8.35%[10] and now manage more than $94 billion in retirement savings for our members.

With scale comes benefits. Our decision to manage up to 50% of investments internally is paying off, delivering $1billion[11] in investment fees and cost savings over the past seven years.

Our scale provides us with a strong voice with which to advocate and promote a system that encourages long term, responsible investment that drives strong, sustainable returns for members. We endorse a system that gives members maximum benefit of compounding returns, while improving the social and environmental world in which they live, work and retire.

Our face-to-face servicing via coordinators and front counters differentiates the Fund, and we continue to expand the ways we provide personalised service for our members, with increased take up of our digital channels.

We acknowledge there is more work to do. As Wayne noted, a key priority is to rectify the service delays our members experienced for insurance claims. In FY24, the Fund has implemented a number of measures to address these delays, with early indications that these measures are leading to a reduction in insurance claim management delays.

With more than 900,000 members, we have a loyal membership, with 80%[12] of our members likely to remain with the Fund. Recognising this loyalty is important. We are proud to offer an insurance premium loyalty rebate for our eligible insured members in FY25, a first, we believe for industry funds.

We are further supporting member outcomes through a reduction in our administration fees to $1 per week from 28 September 2024. Our retirement product campaigns designed to help members navigate the transition to retirement, saw a 7% increase in members moving to our Super Income Stream product for their retirement.

In FY25, we will launch a new service for members, which, in another first, will offer retirement advice to members and their partners on a household basis to maximise retirement outcomes.

We have seen a small improvement in our employee engagement score which was completed by more than 87% of team members, and will continue to invest in leadership capability programs for our team.

In FY24 we partnered with 'Yarnup' to develop our Reflect Reconciliation Action Plan (RAP), as part of our commitment to building strong foundations with Aboriginal and Torres Strait Island stakeholders.

I thank the entire Cbus team for their continued hard work and commitment to members. In June 2024 we welcomed Martha Georgiou to our Executive team as our new Chief Risk Officer, after saying farewell to Wade Martin, and I would also like to acknowledge Belinda Langdon, Natalie Hannemann and Alexandra West who also left the Fund.

Building on our momentum into FY25, we will continue to enhance our investment capabilities alongside a commitment to responsible investment. Our brand and marketing activities across channels will support member growth and we will deliver digital servicing improvements that complement our leading product offering and enhance our existing support, education and advice capabilities to deliver the best outcomes for our members.

Governance

As our Fund grows in size and complexity, we recognise the need to adapt our operating model, and invest and expand the service and technology platforms of most value to members. During FY24, we invested in and upgraded our systems to keep our members' data protected and safe. With new regulatory requirements coming into effect in 2025, we continue to strengthen, enhance, and embed our risk and compliance capabilities.

We are committed to working with our regulators and to advocating for the protection and expansion of the elements of our super system that provide our members with the best possible retirement outcomes.



KRISTIAN FOK
CEO

[10] The Growth (MySuper) investment option return is based on the crediting rate, which is the return minus investment fees and until 31 January 2020, the percentage-based administration fee. Excludes fees and costs that are deducted directly from members' accounts. Past performance isn't a reliable indicator of future performance. [11] The cumulative savings are estimated for each financial year from FY18 to FY24 and summed. The approach employed is to multiply the annual average size of the Growth option by the reduction in investment fees for each year relative to FY17. [12] Cbus Brand Health Tracker 2023 presented by KANTAR in February 2024.

Overview

"Our members don't call it 'my super', they call it 'my Cbus'."

NICK FODOR, RETIRED CBUS COORDINATOR [1]

[1] Refer to page 2 for quote information.

Koorie Youth Will Shake Spears Dance Group (featuring Cbus members) performing the Welcome to Country at Compass 24.

External environment

Monitoring and responding to the environment in which we operate

Our Fund's foundations are built on a belief that all members should enjoy a dignified retirement, and our advocacy is driven by long-held principles of adequacy, fairness, equity, and sustainability of the system.

Cbus monitors the external environment to make sure we're in the best position to continue to safeguard members' interests, and we regularly participate in public policy processes such as reviews and inquires to improve member outcomes, and the system overall.

Macro and competitive

Global uncertainty and macroeconomic volatility continue to place pressures on our members and core industries. The impacts of climate change are becoming increasingly evident. In Australia, inflation remains above the Reserve Bank of Australia's (RBA) 2-3% target rate and continues to place cost of living pressures on households.

Our superannuation peers continue to grow and compete for scale making further consolidation likely, intensifying competition and placing more importance on Cbus' specialist positioning in the market. Regulation and policy reform is changing the way funds operate and compete.

Advocating for improved security in retirement

The working lives of many Cbus members can be unpredictable with early, unplanned, and sudden moves in and out of work and retirement. We participated in the Federal Government's consultation about improving superannuation in retirement, advocating for a retirement system that is simpler, so that members can get the most out of their super.

Preserving retirement savings

Preservation is a fundamental pillar of the superannuation system, ensuring that savings are protected until retirement. Cbus champions policies that uphold preservation so that retirement savings can be maximised through diversified, investment opportunities and compounding earnings over time.

An objective for superannuation

The Government recently proposed legislation that would codify the objective for superannuation in law "to preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way." Cbus welcomes this objective as it reinforces our mission to deliver the best possible outcomes for our members.

Superannuation Guarantee increases

From 1 July 2024, the Superannuation Guarantee rate increased to 11.5%, with a further increase to 12% legislated for 1 July 2025.

Following years of a frozen rate, these increases are crucial for enhancing members' retirement outcomes. Cbus modelling[13] indicates that a 21-year-old full-time worker earning $80,000[14] annually, with a current superannuation balance of $10,000, will have an additional $44,073[14,15] by retirement due to these changes.

Unpaid super

Unfortunately, the issue of unpaid superannuation has a significant impact on the retirement savings of many Cbus members. Cbus has long advocated for measures to address unpaid super and from 1 July 2026, employers will be required to pay superannuation at the same time as salaries and wages.

The inclusion of superannuation in the National Employment Standards from 1 January 2024 further strengthens employee rights to super contributions. The recalibration of the Fair Entitlements Guarantee Recovery Program from 1 July 2024 also strengthens the recovery of unpaid super entitlements due to insolvency.

Super on parental leave

Superannuation payments on the Government's Paid Parental Leave Scheme will be paid from 1 July 2025. This policy will make a significant difference to the retirement outcomes for members and their families, with accumulation of super to no longer be interrupted whilst on parental leave.

[13] Cbus modelling calculations performed using the Moneysmart Superannuation calculator - moneysmart.gov.au/how-super-works/superannuation-calculator as at 18/06/2024, and assumes the SG rate increase by 0.5% per annum until the SG rate reaches and stays at 12% from 1 July 2025 onwards.

[14] Starting balance based on average Cbus balance for members under age 24. Data as at 18/06/2024.

[15] Estimated returns are in today's dollars and adjusted for inflation of 2.5% p.a. and a further 1.5% p.a. rise in living standards. Results are shown at 1 July upon reaching age 67, and net of tax and after investment fees and indirect costs. Based on Cbus investment objectives for the default Growth MySuper option and assumed returns.



Performance Test

The current annual performance testing framework has played a critical role in addressing underperformance in the MySuper sector in the three years since its introduction. While the test was extended to cover Trustee Directed Products in the choice sector in 2023, Cbus remains concerned that most of the choice segment (including retirement products) are not covered by the annual investment performance test.

Delivering Better Financial Outcomes Bill

The passing of the first tranche of Delivering Better Financial Outcomes and Other Measures is a positive first step towards enhancing the availability of financial advice for members by reducing red tape and improving the efficiency of accessing advice. Cbus will continue to engage with Government as it introduces further reforms to make trusted advice more accessible to members.

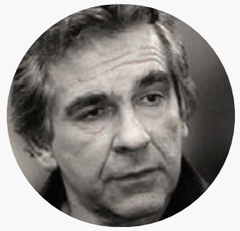
Better targeted super concessions

From 1 July 2025, the Government will reduce tax concessions for individuals with superannuation balances exceeding $3 million. This measure, still under legislative consideration, would impose an additional 15% tax on earnings over the threshold. Cbus has advocated on the need to make tax concessions more targeted and equitable, and the system more sustainable. Cbus advocates for further changes to be targeted at increasing Government support for low income earners by adjusting the Low Income Super Tax Offset (LISTO).

Sustainable finance and mandatory climate disclosures

Given the importance of an enabling policy framework in combatting climate change, we welcome the Australian Government's Sustainable Finance Strategy and have contributed to its development and planned implementation. Cbus made submissions to the Government and participated in roundtables in support of forthcoming mandatory climate-related financial disclosures and associated standards, development of sector pathways and enabling legislation for the net zero transition.

[1] Refer to page 2 for further information regarding quotes.



"We've got to start exerting some sort of influence in terms of how the government of the day wants to use superannuation policies. There's a real challenge staring C+BUS in the face… they ought to pick up the challenge of trail blazing some sort of enlightened industry planning that's going to maximise the benefits that building workers are going get out of superannuation."

JOHN CUMMINS, FORMER ORGANISER AND STATE SECRETARY (VIC BRANCH) AND NATIONAL ORGANISER CFMEU CONSTRUCTION AND GENERAL DIVISION, INTERVIEWED MELBOURNE [1]

—

7 NOVEMBER 1994



Our stakeholders

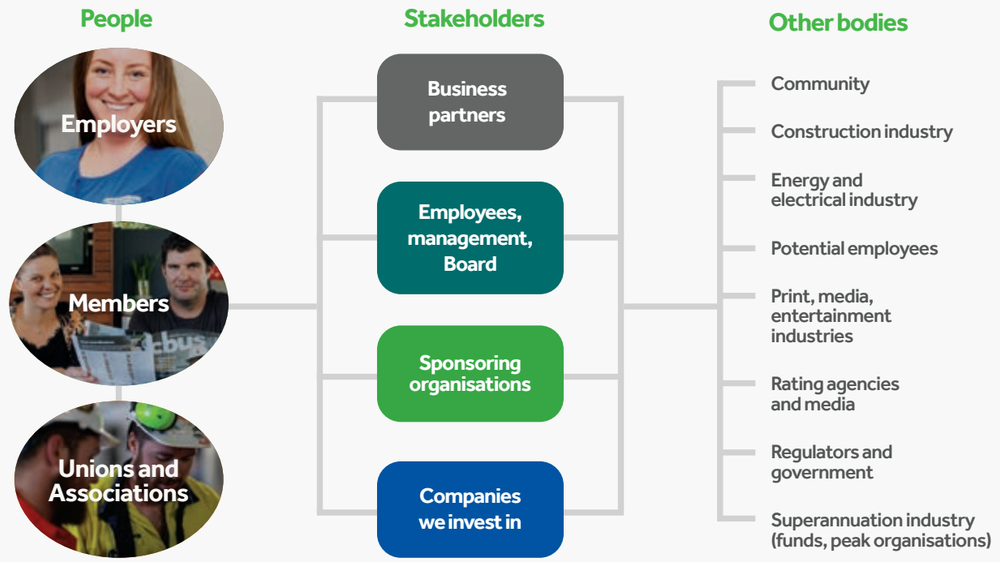
We recognise that some things change, and some stay the same over time. While central expectations of our members echo those of 40 years ago, we understand we must continually focus on what has the greatest impact on the value we create for our members. We gather feedback on the issues that matter most to our key stakeholders, which are summarised in the table below.

Material themes	Our stakeholders are pleased by...	Our stakeholders are concerned by...
Getting the right help at the right time to make sound decisions.	▪ Having access to our Workplace Coordinators and our face-to-face front counter services, valuing the personalised support and guidance they receive. ▪ Having our Workplace Coordinators available in regional areas. ▪ The education we provide to our large employers and their employees, about insurance cover for dangerous occupations and the importance of members having suitable insurance cover. ▪ Our expansion of advice services to include proactive financial advice.	▪ The need for increased levels of and better access to financial advice and education on how to maximise their super. ▪ Insurance claim processing delays.
Having enough income in retirement.	▪ Our education and seminars assisting our members to learn more about how they can maximise their retirement balances. ▪ Awareness of our Super Income Stream retirement product and how to transition into this product when they retire.	▪ Not having enough income in retirement resulting in having to continue to work to supplement income. ▪ Impacts of inflation, the rising cost of living expenses and market volatility and what this means for their standard of living in retirement. ▪ Not having access to appropriate retirement strategies, products and affordable financial advice. ▪ A lack of confidence and trust that they are getting 'value' from their super fund.
A strong reliable and trusted super fund contributing to an effective superannuation system.	▪ Our longevity, continued performance, achievements, and our connections to the building and construction industry. ▪ Our thoughtful advocacy for superannuation policy reforms and improving member outcomes. ▪ Our preparedness to support regulation and regulators in the pursuit of best practice.	▪ Our growth having the potential to dilute our member centricity. ▪ Levels of transparency in super fund costs and expenditure.
Strong long-term investment returns, with a responsible and innovative investment strategy.	▪ Our strong, long-term investment return performance. ▪ Our continued investment back into members' industries, creating strong returns, economic activity and jobs. ▪ Our hybrid investment management strategy, fee-saving program, and our continued focus on enhancing our investments capabilities. ▪ The value proposition of Cbus Property as part of our wider investment portfolio. ▪ Our investment into the energy transition and consideration of material Environmental, Social and Governance (ESG) risks and opportunities in investment decision making processes.	▪ Our ability to attract and retain the talent required to deliver the Fund's strategic priorities. ▪ Some investments in certain industries, divestment policies and transparency in investment decision making. ▪ A desire for providing more information and communications around investment performance, our approach to climate change and our investments in social and affordable housing.
Meeting member and employer products and service needs.	▪ Our work with members, employers and sponsors recovering unpaid super. ▪ Our insurance coverage, conditions and claim acceptance levels. ▪ Our social media channels as a useful medium for seeking quick responses to simple member queries.	▪ The need for us to be easier and more reliable to transact with. ▪ Our speed of service and being easy to use. ▪ The complexity of our paper-based forms and systems. ▪ Lack of digital capability when interacting with their super funds, especially in applications for insurance and in helping insurance claims processing times. ▪ How account fees are set.

Further information on our engagement process can be found in the Stakeholder Engagement and Materiality Supplement here.

Our process to deliver value for our members.

We gather feedback from our key stakeholders to assist us identify those material matters that impact value creation.



40 years of creating value for members

INPUTS

MEMBER CONTRIBUTIONS & INVESTMENT EARNINGS

Funds under management growth 11% (FY24)

OUR PEOPLE

764 employees

INTELLECTUAL CAPITAL

Superannuation expertise

INDUSTRY RELATIONSHIPS

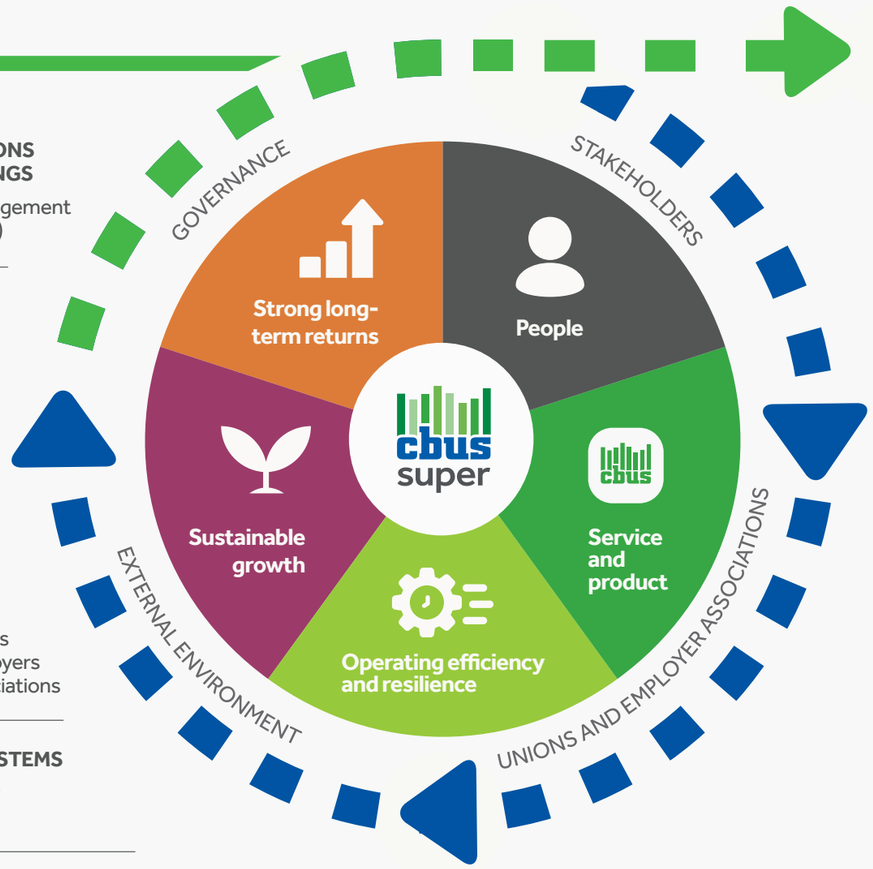
72 key partnerships with unions, employers and industry associations

TECHNOLOGY AND SYSTEMS

Delivering member outcomes

NATURAL RESOURCES

2019 baseline = 58.43 tCO_2e/ $m invested (AUD)



OUTPUTS

INVESTMENT RETURNS
8.35%
Growth (MySuper) investment[16]

INVESTMENT COST REDUCTION
46.3%
Since 2017

MEMBER SATISFACTION SCORE (MSAT)
7.5%

TOTAL MEMBER PAYMENTS
$2.9b

AVERAGE MEMBER SUPER ACCOUNT BALANCE
UP BY 9.3%

SUPER INCOME STREAM MEMBER GROWTH
UP BY 7.5%

INSURANCE PAYMENTS
$384m

OUTCOMES

NET PROMOTOR SCORE
+53

EMPLOYEE ENGAGEMENT SCORE
69 In FY24
Compared to the Australian Finance Services industry average of 70.

MEMBER INVESTMENT FEE SAVINGS
OVER $1b Since 2017

REDUCTION IN PORTFOLIO INTENSITY*
18.3%
Compared to our 2019 baseline and adjusted for changes in asset valuations. On an unadjusted basis, our carbon intensity reduction compared to our 2019 baseline which was ~34%.

INSURANCE CLAIMS
96.8%
Accepted over the last three financial years.

* Given our focus on real-world impact, we believe the more conservative, adjusted figure better represents our contribution to emissions reduction in the real world. More detail on our rationale, as well as our methodology and its limitations, can be found in our Responsible Investment Supplement. One of our methodology's limitations is the completeness of the available data, only ~72% of our portfolio has the available data to inform this calculation (equities, infrastructure, property and a subset of credit and private equity).

[16] The Growth (MySuper) investment option return is based on the crediting rate, which is the return minus investment fees and until 31 January 2020, the percentage-based administration fee. Excludes fees and costs that are deducted directly from members' accounts. Past performance isn't a reliable indicator of future performance.

At Cbus, our members are our primary stakeholders, and we create value for them by delivering strong investment returns, tailored insurance, education, advice, and support services. We work with sponsoring organisations, unions, employers and regulators, who also have an aligned interest in ensuring our members are looked after.

1 Capitals we use — 2 How we use them — 3 How it helps members — 4 Making a positive impact

Our fund strategy

We have a proud history as a specialist fund, and this remains the core of our strategy. Our strategy is built on our mission, vision and leading member proposition. Our strategic pillars and objectives reflect our ambition to continue to deliver for our members.

Mission & vision
Deliver the best possible retirement outcome for members.
Be the number one specialist super fund in our target sectors.

Specialist sectors
Workers and retirees in the building and construction and energy sectors, with an additional focus on related sectors.

Leading proposition
Strong returns; best Insurance; service that is easy, tailored and reliable; distinctive workplace model; brand and advocacy.

Member-centric fund

STRATEGIC PILLARS	Strong long-term returns	Service and product	Sustainable growth	People	Operating efficiency and resilience
STRATEGIC OBJECTIVES	Generate strong long-term returns	Deliver great member experience and outcomes	Maintain sustainable growth	Build a diverse team of skilled and empowered people	Simplify and streamline our end-to-end operations
FY28 MEASURES OF SUCCESS	Absolute 7-year investment return on Default Growth (MySuper) option of CPI +3.25%	Net Promoter Score (NPS) in top quartile	3 year net cash ratio in top quartile	Employee engagement above Financial Services Australia benchmark	Admin fee pricing in the second quartile
STRATEGIC ENABLERS	Enabling, digital, data and technology capabilities Enabling risk, governance and prudent financial management				



Cbus members celebrating 40 years of the Fund.

Strategy scorecard

Now in its second year, our strategy reflects our mission to deliver the best possible retirement outcomes for our members and to be the leading specialist fund for the sectors we focus on. Our scorecard reflects our progress against the Fund's strategic objectives and the key measures used to keep us focused on meeting members' needs and delivering sustainable long-term returns.

Strategic pillar & objective	FY24 Achievements	FY24 progress	FY28 target	Read more
Strong long-term returns Generate strong long-term returns	▪ Delivered 7-year investment return of 7.15% exceeding objective (CPI+3.25%) by 0.62%[17] and annual return of 8.35% for My Super default option ▪ Reduced investment management fees for our default, Growth (MySuper) option ▪ Closed out our third Climate Change Roadmap ▪ Continued to embed and integrate ESG across the portfolio, and again recognised as an ESG leader in the industry[18]	On track and above FY24 target	Absolute 7-year investment return on default Growth (MySuper) option of CPI +3.25%	Investments — Page 38-39 Responsible investment — Page 42-43 Superannuation options — Page 76-82
Service & product Deliver great member experience and outcomes	▪ Achieved NPS score of+53 NPS[19] ▪ Insurance claim handling improvements and compensation program implemented for affected members ▪ Uplift in digital self-service providing members with more ways to engage improving response rates ▪ 23% increase in the provision of personalised financial advice for retirement planning	On track and in line with FY24 target	NPS Top quartile in top quartile[1]	Member and employers — Page 50-59
Sustainable growth Maintain sustainable growth	▪ 3-year net cashflow ratio of 3.9%, slightly below top quartile of 4.5% ▪ More than 80% of members likely to remain with the Fund[20] ▪ Activated campaigns to support retirement strategy and lift awareness of the Super Income Stream (SIS) product ▪ 7% increase in SIS members in FY24	On track but below FY24 target	Top quartile 3-year net cash flow ratio	Sustainable growth — Page 60-61
People Build a diverse team of skilled and empowered people	▪ Improved employment engagement of 69 in FY24 despite year of change, but below target benchmark[21] ▪ Achieved 49% gender equity for all staff and exceeded the 50% target at the Executive level ▪ Improved staff retention, with a staff turnover rate of 8.7%, 46% below industry benchmark[22] ▪ Reported a gender pay gap of 13.7%[23] with more work to do	On track but below FY24 target	Employee engagement score above Australian financial service benchmark	Our people — Page 64-67
Operating efficiency and resilience Simplify and streamline our end-to-end operations	▪ Implemented cost reduction program delivering lower admin fee for members from 28 September 2024 ▪ Decommissioned legacy systems, migrated to new reporting solution and rationalised reporting ▪ Designed governance framework to strengthen third-party service evaluation ▪ Developed technology and data strategy roadmap designed to address key challenges identified	On track	Admin fee pricing in second quartile	Members and employers — Page 50 How we manage risk — Page 34-35

[17] Consumer Price Index (CPI) rose 3.8% for the year ended 30 June 2024. [18] Refer to page 13 for further information about awards and ratings. [19] Strategic NPS measures relationship or growth. Past performance is not a reliable indicator of future performance. [20] CBUS Brand Health Tracker2023' – presented by KANTAR in February 2024. [21] The Financial Services Australia Benchmark is an annual benchmark published by Culture Amp measuring organisational engagement and culture. It consists of approximately 70 Australian Financial Services organisations including Cbus and other industry super funds. [22] Turnover of permanent and contract employees – source: FIRG Policy and Practice Report. [23] The Median Gender pay gap is calculated as the difference between women's and men's median earnings expressed as a percentage of men's median earnings, which aligns with the Workplace Gender Equality Act (WGEA) methodology and definitions.

Governance

Cbus has an established Governance Framework designed to protect members' interests,inform our day-to-day decision making and meet legal and regulatory obligations. United Super Pty Ltd is the Trustee of the Fund and is the legal entity responsible for the prudent management of the Fund including its overall governance, financial and risk management capability, investments, and strategic direction, and the implementation of the Governance Framework.

The Board consists of 14 Directors with six Directors nominated by member associations and six Directors nominated by employer associations. There are also two independent Directors who are appointed by the Board. The Chair of the Fund is an independent Director.
In FY24 the Board farewelled Misha Zelinsky who retired from the Board after nine years and welcomed Kade Wakefield, both member representative Directors.

As an industry fund, equal representation has and is a vital component of the profit-to-member model, as member and employer associations are represented and provide oversight and responsibility for the Fund's operations.

Each year, the Board considers its optimal size and composition to ensure that it remains fit for purpose and that it continues to make decisions which are in the best interests of members.

The Chair of the Board evaluates the Board's performance as well as individual Director performance.

The Board responsibilities are outlined in the Cbus Board Charter and include:

- making reasonable and informed decisions in a timely manner in the best interests of beneficiaries
- approving and regularly reviewing the strategic and financial objectives and direction of the Fund, to maximise the retirement benefits of its members
- approving, reviewing and monitoring the rolling 3-year Business Plan and annual operating budget
- reviewing and approving the significant frameworks and policies of the Fund
- ensuring that appropriate systems are in place to ensure compliance with all statutory and regulatory requirements
- reviewing the performance of the CEO, setting an appropriate remuneration package and ensuring adequate succession planning; and performing such other functions as required by the relevant laws and ensuring the Trustee acts legally, responsibly, and ethically on all matters.

This year the Board's key focus areas included:

- reduction of Administration fees for members
- development of the Member Domain – FY25 Technology and Data Roadmap
- oversight of operational performance and remediation activities, and
- Annual Member Outcomes Assessment.



Fund Governance Policy and related policies, structures, processes, and people.

The Board is supported by five standing committees, which meet regularly throughout the year.

> **The roles and responsibilities of each committee are outlined in their respective charters which can be found here:**
>
> cbussuper.com.au/about-us/how-were-run/board

A Board skills matrix has been developed to ensure Directors are equipped with appropriate skills and the Board can effectively set and execute the Fund's strategy.

The collective Board skills matrix shows the actual skills of the Board benchmarked against the desired state.

Cbus is committed to continuously improving the elements, and the Governance Framework to ensure it aligns with regulatory developments and best practice governance standards, policies, and procedures.

The Fund Governance Policy is reviewed annually with the next review due in November 2024.

Remuneration

Cbus' Remuneration policy and practices reflect our values to act in our members' best interest and to align with the requirements of APRA's CPS 511 Remuneration Standard.

Key principles of the policy include:

- remuneration arrangements are aligned with the achievement of strategic objectives consistent with the Fund's stated risk appetite and develops and supports the desired Cbus culture
- that remuneration will be equitable, based on merit, underpinned by a transparent and consistent methodology
- the Fund provides an appropriately competitive level of remuneration within the market in which the Fund operates and considers the long-term financial soundness of the Fund
- the Fund remains conscious of the relationships between remuneration pressures and costs to members, and
- Remuneration structures at Cbus are supported by a governance framework that avoids conflicts of interest, defines clear accountabilities, includes risk management, and has proper checks and balances in place.

> **You can find out more in the Remuneration Report:**
>
> www.cbussuper.com.au/content/dam/cbus/files/governance/reporting/cbus-annual-financial-report-2024.pdf

Regulatory developments

On 13 August 2024, APRA imposed additional licence conditions on the Fund and directed it to engage an independent expert to conduct a review in relation to the requirements under Prudential Standard SPS 520 Fit and Proper and the trustees' compliance with the duty to act in the best financial interests of beneficiaries of the Fund in making expenditure decisions. The Fund is working constructively with APRA and cooperating with the independent reviewer.

On 23 August 2024, the Fund was notified by the National Executive of the Construction, Forestry and Maritime Employees Union (CFMEU) that the Construction and General Division (C&G Division) and its branches had been placed into administration. The CFMEU is one of the Fund's member sponsoring organisations. The CFMEU holds 3 of the 13 shares in the Trustee.

The CFMEU shares in the Trustee are under the control of the CFMEU National Executive, and consequently the National Executive advised that its three representatives would cease as Directors of the Trustee on 27 August and 28 August. Despite these cessations, the Board of the Trustee continues to have a quorum.

On 12 September 2024, the CFMEU has advised Cbus of its proposed nominees to our Board.

In line with the Fund's nominations process, these nominees are subject to assessment and consideration by the Nominations Committee and the approval by the Board.

As a result of the CFMEU entering administration, the Trustee has suspended all payments to the CFMEU and entry into any new agreements or arrangements on an interim basis pending further investigation. The only exception to this is in respect of certain rent obligations that the Trustee is satisfied are at market rates.

Cbus Property governance

As a wholly owned entity of the Fund, Cbus Property has its own Board comprising three independent Directors and four nominated Cbus Directors. The Cbus Property constitution requires that Board decisions must have the support of the independent Directors.

> **For more information on Cbus Property Governance please go to:**
>
> cbussuper.com.au/governance-framework-2024

Trustee insurance

The Trustee holds indemnity insurance that provides cover to protect the Fund, its Directors and Officers from the cost and liabilities that may arise from legal action.

Leadership team

Our Board

The Board is responsible for the prudent management of the Fund including its overall governance, financial and risk management capability, investments, and strategic direction.

For more information about our Board of Directors go to:

cbussuper.com.au/about-us/how-were-run/board



Wayne Swan
Chair of Board
Independent Director



Anne Milner
Employer Director



Michelle Beveridge
Chair of the Audit and Finance Committee
Employer Director



Denita Wawn
Employer Director



John Edwards
Chair of Risk Committee
Independent Director



Stephen Dunne
Chair Of Investment Committee
Employer Director



Ray Sputore AM
Employer Director



Kade Wakefield
Member Director



Abha Devasia
Chair of the People, Culture and Remuneration Committee
Member Director



Hedley Davis
Employer Director



Earl Setches
Member Director

Executive management

Our Executive management team is responsible for leading the implementation of key strategic objectives for Cbus.

For more information about our Executive team go to:

cbussuper.com.au/about-us/how-were-run/executive-team



Nancy Day
Chief Operating Officer



Marianne Walker
Deputy CEO and Chief Member Officer



Kristian Fok
Chief Executive Officer



Bernie Dean
Acting Chief Strategy Officer



Brett Chatfield
Chief Investment Officer



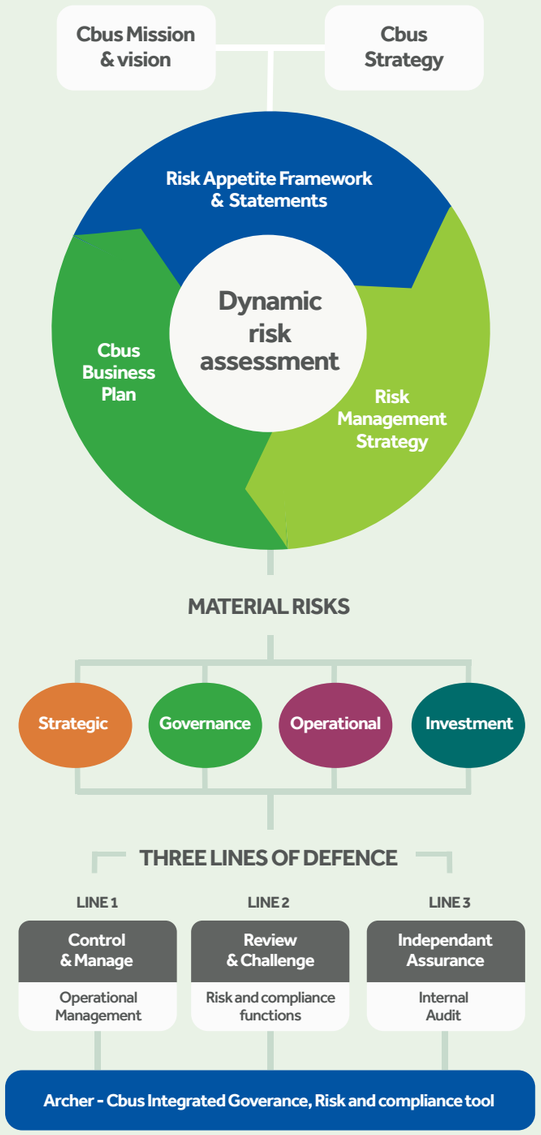
Martha Georgiou
Chief Risk Officer



Justine Hartman
Chief People Officer

Identifying and managing risk

Risk Management Framework



At Cbus, managing risk is seen as integral to achieving our vision and strategic objectives in the best interests of our members. We have implemented a robust Risk Management Framework aligned with APRA's prudential standards, ensuring we comply with our regulatory obligations, while achieving sustainable outcomes for our members.

Our Risk Management Framework aligns our vision, purpose and strategic business plan to our Risk Management Strategy, which defines our material risks and the approach to managing those risks.

The Board approved a Risk Appetite Statement (RAS) that defines the degree of risk that Cbus is prepared to accept in pursuit of its strategic objectives and business plan, with consideration to member interests. Supporting the RAS are Key Risk Indicators (KRIs), which establish the maximum level of risk that Cbus is willing to operate within, expressed as a measurable risk tolerance limits.

How we identify and manage risks

Risk assessments are performed to identify, assess, and manage material risks that could significantly impact the business, if not managed appropriately. The risk assessment program empowers staff to identify and escalate risks, issues and incidents and supports management to guide risk-based decision making.

Integral to the Risk Management Framework is the Three Lines of Defence (3-LoD) model, designed to foster clear accountability, roles, responsibilities and structure, for managing risk across Cbus.

Risk Management Framework & continuous improvement

In FY24, the superannuation industry continued to experience increased complexity and significant regulatory change, increased regulatory oversight and supervision. In response to this we have continued to priorise our transparency, openness and engagement cadence with our regulators.

Cbus has also progressed the following key enhancements to the Risk Management Framework:

- Ongoing implementation and strengthening of the 3-LoD model, through building out Line 1 risk and compliance resources, enhancing risk management capabilities and establishing divisional risk forums, which further embed risk management within the business
- Establishing programs of work to ensure compliance with CPS 230 *Operational Risk Management* (CPS 230) (effective 1 July 2025) and the *Financial Accountability Regime* (effective 15 March 2025).

Further enhancements were completed to our Governance, Risk & Compliance system (Archer) to provide a central repository to identify and manage risk and compliance across the business. This included the following:

- Creation of interactive dashboards to support oversight of risk and compliance management
- Rollout of additional system modules to expand the usability
- Configuration updates across multiple existing modules to enhance data quality and support informed decision making
- Continuous training and support provided to users.

The achievement of the above enhancements has resulted in a strong foundation being maintained and has equipped Cbus to focus and prioritise on the following areas in FY25 and beyond:

- Clarifying the roles and responsibilities of Line 1 and Line 2 risk and compliance
- Building out the Line 2 risk and compliance capability and resources
- Continuing to strengthen the Line 1 risk and compliance capability and maturity of practices
- Utilising the results of enhanced Archer modules to create risk profiles and compliance plans, and strengthen risk and compliance management strategies
- Maturing our outsourced vendor management processes, including creating robust practices to manage our critical operations internally and with our material service providers, to support compliance with CPS 230
- Strengthening our resilience planning to ensure we have our people, systems and processes prepared for any business disruption events.

In addition, we focused on the following key risk areas:

- **Insurance remediation.** As a result of delays in processing death and total permanent disability insurance claims and a delay in handling complaints related to delay claims, Cbus has commenced remediation activities through the Insurance Claims Action Program, Insurance Compensation Program and Risk Uplift Program, to address the issues and remediate impacted members
- **Duplicate accounts.** Remediation activities are in progress to resolve instances in which members hold both Media Super and Cbus accounts as a result of the Media Super successor fund transfer
- **Complaints.** Due to instances in which the internal dispute resolution timeframes for complaints were not met, Cbus completed remediation activities to enhance our dispute resolution framework. These activities were completed by 30 June 2024.

Risk culture

Cbus places a strong emphasis on fostering a positive organisational risk culture. Our risk culture is foundational to the Risk Management Framework and robust risk management practices.

Our leadership team plays a critical role in shaping and reinforcing our risk culture and are actively involved in promoting the importance of risk management, ensuring that it is effectively embedded across the business.

With a participation rate of 87%, this year's annual staff engagement and risk culture survey provided valuable insights into how our risk culture is perceived and lived by our employees, showing a continued upward trend in staff engagement with commitment to our Risk Management Framework.

Designed to align with APRA's 10 Risk Culture Dimensions[24], this year's survey results highlighted above average scores for eight of the 10 Dimensions, with further improvement opportunities identified and action plans developed to further enhance the Risk Management Framework and risk outcomes.

The risk culture survey results and action plans are communicated to:

- Business teams to confirm our ongoing commitment to a positive risk culture and to underscore the crucial role that every employee plays in maintaining a positive risk culture
- The Executive Risk Committee and the Board Risk Committee.

The positive results from our annual risk culture survey confirm that our efforts to cultivate a positive risk culture are resonating with our people. As we move forward, we will continue to build on this momentum, ensuring that our risk culture remains adaptive, resilient, and aligned with our purpose to deliver long-term value to our members. The continued engagement and commitment of our employees to our risk management framework will be key to navigating the challenges and opportunities that lie ahead.

[24] www.apra.gov.au/risk-culture-10-dimensions. Covers Leadership Decision Making and Challenge, Communication and Escalation, Risk Capabilities, Alignment with Purpose and Values, Risk Culture Assessment and Board Oversight, Risk Appetite and Strategy, Risk Governance and Controls, Responsibility and Accountability, Performance Management and Incentives.

Our investment approach

> Members would, I'm sure, like to see some of the investments of their funds being directed in a way which benefits the nation as a whole.

MIKE MCKAY, FORMER SECRETARY, NATIONAL COORDINATOR AND LATER CHAIR OF BUS AND AUST, INTERVIEWED IN 1994 [1]

[1] Refer to page 2 for quote information.

Lal Lal Wind Farm, Duggan Ln, Lal Lal Victoria, an example of Cbus investing in the energy transition.

Message from the CIO



GROWTH (MYSUPER) DEFAULT OPTION

8.35% FY24 return[25]

8.87% Since inception[25]

FUNDS UNDER MANAGEMENT

$94.7b

↑ UP BY **11%**

2023 – $85.3b

Performance

Cbus members can be proud of our investment performance over the 40 years of the Fund's existence. We continue to safeguard members' retirement savings, outpacing inflation to make sure their superannuation dollars are working as hard as they do.

Markets are rarely smooth sailing, and FY24 was no different. While we faced into some strong headwinds in the early part of the financial year, when conditions did eventually turn, we made strong headway, returning close to our 40-year average of 8.87% p.a. Performance was driven by strong Australian and overseas share markets as inflation eased back towards target levels and global growth remained solid. Positive returns from global credit and infrastructure assets also contributed to the result.

While we delivered a healthy return for the year, from a peer relative perspective, funds with higher allocations to Australian and Global equities typically achieved higher returns. We do have significant exposure to equities, however we have less than many retail super funds, who as a cohort performed quite well this year. Our performance was also impacted by a higher-than-average exposure to property, which has been a feature of our Fund's strong long-term returns. We maintain a strong conviction in property and infrastructure investments, and the future investment and return opportunities they present. Most importantly, over the long-term, our peer relative performance remains very strong. We remain confident in our portfolio positioning and with strong capabilities expect to deliver strong performance in the years ahead.

Across our other diversified accumulation investment options there were also strong positive results in FY24. The High Growth investment option delivered a 10.85% return and the Indexed Diversified option 11.42%. The Australian Shares and Overseas Shares options returned 11.41% and 15.72% respectively.

Outlook

Considerable progress has been made in bringing inflation rates back down towards target around the world, and this has so far occurred without a damaging slowdown in growth or sharp increases in unemployment. However, uncertainty remains around the future path for inflation, growth, and interest rates. This means that financial market volatility will also remain heightened for the foreseeable future. Encouragingly though, the decline in inflation rates across many offshore economies gives central banks room to cut interest rates – indeed, most major central banks have either started to cut, or are poised to do so – and thereby support the economy and asset prices.

Of course there are risks to the outlook, including the possibility that the recent period of high interest rates tips the economy into recession, or that geopolitical tensions escalate further. But our expectation is that investment returns should remain solid against a backdrop of slowing inflation and falling interest rates.

Investment strategy

Our commitment to invest in the best interests of our members remains unchanged as we've grown and our investment approach has evolved. From being a pioneer in the unlisted property space through Cbus Property, to our expansion into unlisted infrastructure both in Australia and offshore, we have leveraged our experience in the built environment and in unlisted assets to generate sustainable long-term returns for our members.

These alternative investments (unlisted property and infrastructure), play an important role in enabling us to diversify the portfolio and provide attractive medium to long-term protection against inflation as their income and earnings tend to move in response to it over longer-term periods.

For these reasons, we maintain a higher exposure to property and infrastructure in our portfolios relative to a number of our peers. We have a relatively low exposure (less than 5%) to the more volatile alternative investment category of Private Equity, where there have been high-profile value write-downs in this sector over recent years.

There is a double benefit in investing back into our members' industries, creating economic activity and jobs, while contributing positively to longer-term member returns. Our property investments, of which around half are invested with Cbus Property, have delivered an average annual return of more than 9.4% p.a. over the last 10 years.

Over the same period, our infrastructure investments have returned more than 10.5% p.a.. We will continue to invest in the built environment, in the energy transition and, through innovative pathways, into other parts of our members' industries such as providing funding for social and affordable housing or funding for arts and entertainment productions.

In recent years we have grown the number of internal investment strategies managed in-house by our investment team. We will continue to look at ways we can bring further strategies in-house as part of our current five year investment strategy. This will see more of members' money managed internally in certain key areas like equities, infrastructure and debt, all aimed at driving better returns.

Approximately 34% of our investment portfolio is managed internally, and we expect this to grow towards 50% by 2028. This requires a continued effort to attract and retain a highly skilled, diverse investment team and invest in their development. Importantly, since we embarked on the internalisation strategy, we have realised more than $1 billion in investment fee and cost savings[26].

In April 2024, our internal direct debt capability celebrated its 5th anniversary. Through our internal capabilities, we have lent more than $1.6 billion to a variety of Australian businesses, provided loans for the construction of more than 1500 apartments, including for a social and affordable housing development in Victoria, and most importantly, contributed positively to our performance.

In the coming years we anticipate the Fund will continue to support investment in social and affordable housing and the decarbonising of the economy.

Advocacy

The accumulation and preservation of retirement savings across a working lifetime enables the Fund to extract maximum value for members through long term, patient investments. It opens up a world of asset ownership opportunities and sustained investment returns to members that they could never access individually.

We are working with other institutional investors to find ways to provide long-term debt funding to community housing providers who will access availability payments from the Government's Housing Australia Future Fund (HAFF). Consistent with our overall approach to investing in the best financial interests of our members, we will only invest in this space if the returns are appropriate for the risk.

We are working with governments and our industry partners to identify further opportunities to invest in Australia's energy transition and have invested more than $750 million[27] in several wind and solar energy opportunities in Australia and overseas. We also have approximately $1.2 billion[27] invested in energy transmission and distribution assets locally that will play an integral role in Australia meeting its net zero emission targets.

We continue to advocate for clearer, more consistent disclosure standards from companies and investors around climate change to ensure greater transparency and accountability in actions taken to mitigate its impacts in line with the Paris Agreement.

Final word

In marking our 40th anniversary we reached another milestone, passing $90 billion in FUM, and fast approaching $100 billion. The Fund our founding members created 40 years ago, the superannuation system they created, has delivered healthy returns over four decades. The investments that we will continue to make into the future will be aimed at continuing to deliver strong long-term returns for the next 40 years.



BRETT CHATFIELD
CHIEF INVESTMENT OFFICER

[25] The Growth (MySuper) investment option return is based on the crediting rate, which is the return minus investment fees and until 31 January 2020, the percentage-based administration fee. Excludes fees and costs that are deducted directly from members' accounts. Past performance isn't a reliable indicator of future performance.
[26] The cumulative savings are estimated for each financial year from FY18 to FY24. The approach employed is to multiply the annual average size of the Growth option by the reduction in investment fees for each year relative to FY17.
[27] Cumulative investment since June 2019.

How we invest

As the Fund has evolved over the past forty years, so has our investment strategy. Innovating through our history the fund commenced with capital guaranteed investments, then diversified into Australian equities. We used our industry expertise to create Cbus Property and other property and infrastructure investment funds. We've integrated ESG thinking across our investment portfolio and now today we invest members' funds across a wide range of asset classes both here in Australia and overseas.

Today, our hybrid model of internally and externally managed strategies enables us to further expand our portfolio management capacity, to invest directly and alongside partners across a wide range of asset classes including shares, property, infrastructure, private equity, alternatives, credit, fixed interest, and cash. By having allocations to different types of assets we can build diversified portfolios to deliver strong returns and better manage investment risk - always with an eye to safeguarding and growing members' retirement savings.

We choose investment managers that meet our selection criteria and fit our strategy. Including Cbus Property and hybrid strategies with strategic partners, Cbus manages around 34% of the Fund internally[28]. The remainder is managed by external investment managers in pooled vehicles and under Investment Management Agreements (IMAs). Our IMAs cover the extent of the mandate of the investment, performance expectations, responsible investment (where applicable), reporting requirements and fees. We continuously monitor all portfolios and the performance of all investment managers.

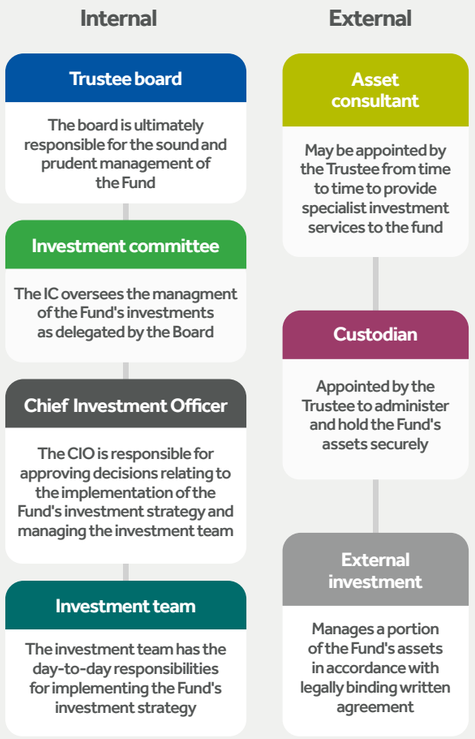
At 30 June, we had 77 external fund managers. Refer to page 76 and 82 for further information on strategic asset allocation for each investment option as at 30 June 2024.

For a full list of investment managers, visit:

cbussuper.com.au/super/my-investment-options/cbus-investment-managers

During the year, there were no breaches of our investment guidelines that resulted in a regulatory breach by our managers.

[28] As at 30 June 2024.



Each investment option has set objectives. We review these objectives annually to ensure they meet members' needs from both a risk and an expected return perspective. The objectives take into consideration our membership profile, the expected medium to long-term investment environment, and the mix of asset classes we invest in.

There were no changes to investment option objectives during the 2023/24 financial year.

Details on investment options can be found here:

cbussuper.com.au/super/my-investment-options/asset-allocation-framework

As a result of the 2023/24 financial year review, we have made changes to the strategic asset allocation for our investment options.

Details of these changes can be found here:

cbussuper.com.au/about-us/news/investment-news/strategic-asset-allocation-update-june-2024

Management of derivatives

Cbus allows some of its investment managers to use derivatives to obtain market exposure, reduce risk and/or enhance efficiency. Where managers use derivatives, controls or policies must be in place to ensure the Fund is not exposed to undue risk. Cbus will also directly use derivatives for implementation of the investment strategy, most typically to gain or reduce exposure to an asset class in an efficient manner. Derivative exposure is subject to risk limits and must not gear the Fund. The derivatives charge ratio which measures the percentage of the Fund being used as security for derivative investment was less than 0.5% during FY24.

Investment strategy evolution

2022: Evolution of strategy to Differentiated Hybrid model

2019: Participated in first National Housing Financing and Investment Corporation (NHFIC) bonds issue

2019: Launched internally managed Australian Equities and Direct Debt strategies

2017: Introduction of Hybrid Investment Model

2017: Launched internally managed Global Quality and infrastructure strategies

2014: Launched internal Cash management

2011: 1st Direct Infrastructure investment in Port of Brisbane

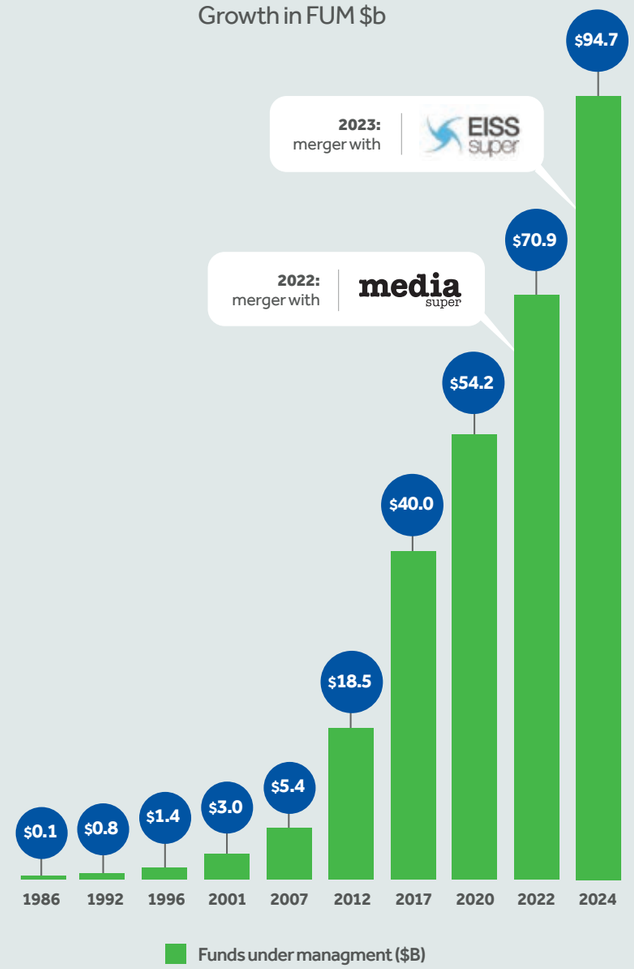
2006: Cbus Property established

1987: 40% of investment portfolio allocated to Australian equities

1984: 100% invested in capital guarantees

40 years of growth

Growth in FUM $b



Member investment options

2023: Defined benefit option created for EISS members

2022: Growth Plus, Index Diversified and DIY options:

- Overseas shares
- Australian shares
- Property
- Diversified Fixed Interest

2017: Transition to retirement income Stream

2017: Conservative Growth

2014: Self- managed investment

2009: Cash

2007: Super Income Stream

1999: Conservative

1998: High Growth

1984: Growth (MySuper)

Refer to page 76–82 for Member investment options

Responsible investing

Cbus has a long history of leadership, recognition and continual improvement in responsible investment.

We were there when responsible investment began to emerge in Australia, leading the way as a founding member of the Australian Council of Superannuation Investors (ACSI) in 2001. A lot has happened since then, with the industry continuing to develop, as systemic risks become more significant, science and data evolve, and community expectations rise.

We are growing and expanding the capability in our team, and continue to conduct evidence driven analysis, advocate for systems-level change, support our partner organisations and strive to effectively use our stewardship and shareholder rights to improve corporate practices. Our activities are increasing in sophistication and we seek to apply our portfolio-wide responsible investment approach across the Fund.

We believe well-governed companies that manage material Environmental, Social and Governance (ESG) risks and opportunities in their operations and supply chains, such as those that impact employees, suppliers, customers, communities and the environment, will protect assets and grow our members' retirement savings over the long term.

How we invest responsibly

Through integration

We seek to understand and consider material ESG risks and opportunities as part of our investment decision making process (e.g. when choosing to invest in a company, or asset, or with an external investment manager).

We are active stewards

- Through voting at annual meetings and through discussions with the company or manager, we aim to improve practices so that companies we invest in are better run and provide more sustainable long-term returns.
- We advocate for a shift towards a sustainable finance system by encouraging the development of standards, guidelines and regulatory reform. Either directly or alongside others, we support the development of policies and research, and make submissions to government and regulatory consultations.

We are evidence driven

We use a wide range of research and data to measure, support and evolve our evidence-based approach. Our strategies and approaches are underpinned by an assessment of best practice coupled with a view of what is fit for purpose for our portfolio.

We adapt

We work to ensure our priorities continue to align with our members' best financial interests through time and we scan the horizon so we are aware of issues that will become prominent in the future.

We are transparent

We measure our activities and report on our progress, so our members can be confident that we do what we say we do.

We partner

We recognise that through partnership and collaboration we can share knowledge and learnings, and better protect our portfolio from systemic risks.

FY24 highlights

FY24 has been another busy and rewarding year for responsible investment as we continued to make progress whilst operating within a challenging global economic and political environment. During the year we continued to build out our team and capabilities across research, integration and stewardship.

Our achievements again include a rise in the level of advocacy work we have undertaken or supported. A significant part of our advocacy work is around climate change, with key initiatives including attending four roundtables with government to discuss barriers and possible solutions to investing in the net zero transition and our submissions to government in support of forth coming mandatory climate-related financial disclosures and associated standards.

Within our climate change work, we have closed out our third Climate Change Roadmap and commenced work on a new climate change plan. We enhanced our climate scenario analysis and reporting, and commenced work on nature and biodiversity as a new key focus theme. Our integration work included improved monitoring of modern slavery integration by external managers and the roll out of fund-wide modern slavery training.

Another key focus was the development of updated stewardship goals. Commencing in FY25, we will continue to focus on climate change, modern slavery, workers' rights and workplace health and safety, and we have introduced two new priorities – human rights, and nature and biodiversity loss.

These evolved priorities align with real-world goals that are in our members' best financial interest and seek to optimise the effectiveness of our Stewardship Framework.



Update on progress towards our 2030 climate goal of contributing to a 45% reduction in real world emissions

Each year we report our portfolio carbon intensity to track our progress towards our 2030 carbon reduction goal. This year we recorded a 34% reduction compared to our 2019 baseline[29]. When we adjusted for growth in asset enterprise values between FY19 and FY23, our reduction in carbon intensity was 18.3%. We believe this is a better representation of our real-world impact - the actual reduction in emissions achieved by the assets in which we invest.

To assess our progress towards our 2030 goal, we use a linear trajectory to a 45% reduction by 2030 as our guiderail. This trajectory aims for a 5.3% reduction each year, and while we know our decarbonisation won't be linear as assets move in and out of our portfolio and decarbonise at different speeds, we believe this is a useful point of comparison.

While we continued to make progress in FY23, we fell just short of our 45% trajectory. A linear progression towards our 45% target would have produced a 19.5% emissions reduction, while our actual emissions reduction was 18.3%. Potential reasons include changes in asset emissions and valuations, our portfolio positioning and data coverage. We will undertake further work to understand the drivers of this result and identify if there are any mitigating actions that we can take in future.

More details about our responsible investment approach can be found in our Responsible Investment Supplement

cbussuper.com.au/content/dam/cbus/files/governance/reporting/responsible-investment-supplement-2024.pdf

New research on member attitudes to responsible investment

We conducted a new round of responsible investment research with our members late in the financial year[30], seeking their feedback on our approach to responsible investment and how important it is in the context of their super. This research helps inform our responsible investment approach and how we communicate. We are now compiling member responses. Our initial findings are listed in our Responsible Investment Supplement and we will report in more detail on the survey results in FY25.

Our continued investment in the energy transition

We have more than $750 million[31] invested in several wind and solar energy opportunities in Australia and overseas. We are also working with governments and our industry partners to identify further opportunities to invest in Australia's energy transition.

In September 2023, we invested in PowerOn[32] that consists of two pure renewable energy platforms:

- **Blue Elephant Energy,** headquartered in Germany, is an independent power producer engaged in developing, owning and operating renewable energy assets primarily in Europe
- **Opdenergy** is an independent power producer located in Spain that focuses on OECD countries. The business operates as a vertically integrated developer, builder and operator of solar PV, wind and storage assets.

Our 10% interest in Star of the South, Australia's most progressed offshore wind project, reached a key milestone. In May 2024, we welcomed the Australian Government's announcement that Star of the South had secured one of the first feasibility licenses in the country for offshore wind. This an important step in the development of the project with a feasibility license needed to start investigating and planning an offshore wind farm.

Social and affordable housing update

Cbus, a community housing provider, two property developers and Development Victoria have joined forces to help tackle the housing crisis in Victoria. In early 2021, Cbus provided a debt facility to the property developers to finance the construction of a new-high rise social and affordable apartment complex in Parkville, Melbourne. The structure, terms and conditions of the construction facility offered an attractive risk return for Cbus members. Construction of the 16-storey (basement and ground level through to level 14) residential apartment block containing 96 one-bedroom and 55 two-bedroom units was completed in August 2023.

[29] Currently, ~72% of our portfolio has the available data to inform this calculation (equities, infrastructure, property and a subset of credit and private equity).
[30] This responsible investment survey was undertaken by Empirica Research on behalf of Cbus in June/July 2024.
[31] As at 31 March 2024.
[32] This investment in PowerOn is through Antin Infrastructure Partners Fund V.

Cbus Property



Cbus Property now has a portfolio of $6.6 billion, from $0.5 billion when we started 2006, with a further $4.8 billion of work underway.

Reflecting on our history, our success stemmed from the strategy to streamline existing assets by divesting non-core assets and then acquiring others, to weather future downturns and take advantage of property booms across the commercial office, residential and retail sectors.

Since inception, Cbus Property projects have created more than 100,000 direct jobs and hundreds of thousands more indirect jobs[33], a positive by-product of the fact that we continue to grow the business and contribute to the wider economy, with many of Cbus Super's members working on Cbus Property jobs.

Taking a counter-cyclical approach

Our objective has always been to maximise returns to Cbus members through the acquisition of property and developable land. Taking a counter-cyclical approach has delivered strong returns through identifying good opportunities at the right time.

This counter-cyclical strategy has seen Cbus Property generate an average 12.9% return since inception in 2006.

As at June 2024, Cbus Property has a portfolio of circa $6.6 billion, grown from $0.5 billion at inception in 2006, with a further $4.8 billion of work underway.

Current highlights

Our $1 billion Bates Smart-designed commercial office tower at 435 Bourke Street in Melbourne's CBD is under construction, with anchor tenant, Commonwealth Bank, and law firm, Baker McKenzie. Hospitality entrepreneur, Chris Lucas will underpin the hospitality precinct with two new signature dining venues that integrate all-electric cooking with Cbus Property's solar-skin façade, one of the world's first.

Cbus Property has also received approval from the Victorian Department of Transport and Planning for a circa $350 million residential development on St Kilda Road. It's our fourth partnership with Bates Smart in Melbourne, encompasses 77 residences across 17 levels and premium residential amenity.

Highlights for Brisbane include 443 Queen St, which was named a dual winner in the global 2024 Council on Tall Buildings and Urban Habitat Awards of Excellence and a finalist in the 2024 World Architecture Festival.

Another residential development was approved and the sales campaign for architecturally designed 185 Wharf St in Brisbane launched in September 2024.

205 North Quay, our $600 million commercial office tower under construction in Brisbane, which will be anchored by Services Australia, is anticipated for completion in mid-2025.

In Sydney, Cbus Property's purchase of Dexus' 50% interest in 5 Martin Place has taken our ownership to 100% - an investment in the Sydney CBD, featuring industry-leading environmental credentials.

There is also the third and final stage of the Newmarket Randwick masterplan in Sydney's eastern suburbs. Meanwhile, 111 & 121 Castlereagh is under construction with 60% of the residential component sold and the commercial office component due for completion later this year.

In Perth, our commercial office joint venture with Brookfield Properties on Nine The Esplanade has recently topped out and is on track for completion in mid-2025, with EY, Hub Australia, Multiplex and Little Creatures among the committed tenant partners to date.

Finally, 83 Pirie Street in Adelaide was recently named the Property Council of Australia's 2024 Rider Levett Bucknall State Development of the Year for South Australia, recognising its next-generation commercial office tower design combining industry-leading sustainability, wellness and technology initiatives – Adelaide's first all electric building.

Aspiring to deliver Australia's most sustainable commercial portfolio

In FY2024, Cbus Property continued to leverage our extensive experience in the delivery of developments, and management and ownership of our property portfolio investments, to set new benchmarks for both economic and environmental sustainability which has been part of our long term success.

[33] As at 30 June 2024.



Pacific Fair Shopping Centre, Queensland

PERFORMANCE

12.92%

Average return since inception in 2006[34]

JOBS CREATED

OVER 100K

Jobs created across Australia since Cbus Property's inception in 2006[35]

Our certifications refer to portfolio ratings for Cbus Property's office portfolio (not ratings for individual buildings held in the portfolio). The Green Star logo refers to a Green Star Performance Portfolio rating for Cbus Property's office portfolio, which contains seven out of eight buildings that have achieved a 6 Star Green Star Performance rating.

[34] Past performance is not a reliable indicator of future performance.

[35] The Cleaning Accountability Framework (CAF) aims to improve labour practices in the cleaning industry. CAF works with cleaners, worker representatives, tenants, contractors, property owners, facility managers, and investors across the cleaning supply chain to ensure ethical labour practices through the promotion of decent work, ethical procurement and best practices. The CAF Certification Scheme provides a credible framework to measure social compliance within the cleaning industry.

[36] By Gross Lettable Area (155,000 square metres)

[37] Estimated jobs since 2006 to June 2024 based on inductions for completed and committed developments.

Highlights in the past 12 months include:

- First building owner in Australia to have our commercial portfolio certified by the Cleaning Accountability Framework (CAF)[36], with nine offices and two shopping centres certified, representing approximately 700,000 square metres of space and providing fair, safe and decent work to more than 500 cleaners
- Launched our inaugural Reflect Reconciliation Action Plan (RAP), demonstrating our commitment to building respect and relationships, and growing opportunities for First Nations peoples and communities
- Recognised as an industry leader in the 2024 NABERS Sustainable Portfolios Index (SPI) for the fourth consecutive year.
- Our office portfolio is one of only three portfolios[37] in Australia to achieve a carbon-neutral portfolio under the Climate Active Carbon Neutral Buildings standard
- Pacific Fair Shopping Centre was also certified carbon neutral, making it one of Australia's largest shopping centres to receive a carbon-neutral certification
- Again received global recognition in the annual Global Real Estate Sustainability Benchmark (GRESB) Real Estate Assessment, awarded dual Global Sector Leader titles for Standing Investments (Diversified – Office/Retail) and Developments (Diversified – Office/Residential)
- Closed a $930 million green loan transaction for our interest in 313 Spencer Street, Melbourne; 171 Collins Street, Melbourne; 720 Bourke Street, Melbourne; 1 William Street, Brisbane; 140 William Street, Perth; 83 Pirie Street, Adelaide; and 5 Martin Place, Sydney; bringing our sustainable finance facilities to $1.585 billion.

These achievements underscore Cbus Property's approach to integrating ESG across all parts of our business.

Riding the cycles by adapting, innovating and diversifying

The property industry is currently in a tough phase of the property cycle and Cbus Property is focused on how to approach this period and the months ahead.

While other developers may offload assets or pause development during this time, there is something to be said for persevering. Cbus Property has a strong, diversified and risk adjusted property portfolio and is always on the look out for new opportunities. Our developments are not created overnight, and we believe that as each project is completed, the cycle will have turned again (for the project in the location and sector) - potentially with less competition, as a result of other developers opting to cease activity during the downturn.



ADRIAN POZZO,
CBUS PROPERTY
CHIEF EXECUTIVE OFFICER

Awards & ratings

Climate Active
Certified net zero carbon office portfolio by the Climate Active Carbon Neutral Buildings Standard

NABERS
Recognised once again as a leader in the NABERS Sustainable Portfolios Index 2024[38]

www.nabers.gov.au

GRESB
Named Regional Sector Leader for Investments (Oceania, Diversified - Office/Retail)

Placed 2nd for Developments (Asia-Pacific, Diversified - Office/Residential)

Cleaning Accountability Framework
Australia's first commercial portfolio certified by the Cleaning Accountability Framework (CAF), with nine offices and two shopping centres certified

AFR Best Places to Work
Ranked fourth out of the top 10 businesses in the Property, Construction & Transport category

WELL Precertification
121 Castlereagh, Sydney, achieved WELL Precertification and is targeting Platinum Certification upon completion

Property Council of Australia
83 Pirie Street, Adelaide, named 2024 Rider Levett Bucknall State Development of the Year for South Australia, recognising its next-generation design of commercial office, wellness and hospitality functions

AFR Sustainability Leaders
83 Pirie Street, Adelaide, named one of the Australian Financial Review's Sustainability Leaders for being one of the first all-electric, net zero-designed office building in operation in Australia



17 Spring Street, Melbourne Victoria

[38] Based on NABERS Sustainable Portfolios Index 2024 www.nabers.gov.au/data-gallery/spi-2024-offices-shopping-centres

Our members

> In the early days we were getting all sorts of inquiries about the scheme, the classic inquiry was one where people said that the BUS ticket, as we used to call the membership card, didn't allow them to get on public transport.

PAUL LOSTIA, FORMER JACQUES MARTIN VIC/TAS ADMINISTRATION MANAGER, INTERVIEWED AUGUST 1994 [1]

[1] Refer to page 2 for quote information.

Cbus members working on Metro Tunnel project in Melbourne, Victoria.

Members

Cbus continues to be a differentiator in the super landscape for our services which are tailored to the needs and experiences of our members. The Fund has once again been recognised for this, winning the Chant West^ award for Specialist Fund of the Year for the fifth year in a row and Best Fund: Member Services for the second year in a row.

Our proactive work in helping members understand their super and insurance, our success in engaging with members on their retirement outcomes and the provision of collateral in different languages tailored to our diverse membership were all highlighted as valuable offerings.

Our in-person front-counter service, coordinator staff, education seminars, Live Chat and advice services are some of the ways we provide members the opportunity to interact with the Fund on a personal level to get their questions answered and their problems addressed in the moments that matter to them.

Whether that be as we help them grow their super, in their transition to retirement, in the post-work phase of their life or in their claiming of benefits.

Overall member feedback on our engagement channels achieved a weighted average satisfaction score of 7.5 out of 10 which is a slight increase on last year.

Ongoing enhancements to our digital self-service offerings remain key to ensure we continue to service our members in a way that is convenient for them.

CHATBOT USAGE

135,217

2023 – 67,470

↑ **UP BY**

100.4%

LIVECHAT USAGE

8,680

2023 – 5,825

↑ **UP BY**

49.1%

Our Chatbot usage by members has more than doubled in FY24, going from 67,470 to 135,217 interactions.

Cbus remains committed to providing our members with the opportunity to engage face-to-face with the Fund. FY24 saw an office opening in Gladstone following the opening of our Townsville office last year to support our growing membership in Queensland. We also reintroduced our popular retirement seminars in-person again with large attendances after the move to online sessions that commenced with the lockdowns in 2020.

Throughout the year the Fund continued to support members in their transition to retirement by providing assistance with understanding of retirement options and benefits, working with members on retirement planning, and raising awareness and streamlining access to education and advice services.

We acknowledge that there were major services issues in relation to response times and claims delays that affected our members and their families as we reported in FY23.

The key program of work Cbus has undertaken in FY24 includes:

- Uplifting resources in the insurance contact centre to improve service standards
- Uplifting resources in the claims team to be able to respond to members and their families quicker
- Reducing backlog of claims.

This delivered improvements in:

- Call responsiveness in the insurance contact centre
- Claims experience through access to dedicated case managers
- Updating the insurance section of our website to enhance member education on insurance claims.

In addition, we introduced a compensation program for affected members that will continue into FY25.

^ Refer to page 2 for further information about this award.



Cbus SIS Members

Focus on retirement

Cbus' Retirement Strategy sets out the Fund's plan to help members maximise their retirement outcomes in line with the requirements of the Retirement Income Covenant (RIC).

As Australia's superannuation system matures, we are continuing to support the needs of our members. Highlights from FY24 included:

- More than 3,500 new Super Income Stream (SIS) accounts were created, comprising more than $1.4 billion in funds under management (FUM). This positive result exceeded our retention target
- Super Income Stream retention campaigns have continued to demonstrate an increase in member engagement and SIS conversion compared to control groups
- There were more than 92,000 visits to our digital retirement tools and we successfully drove a significant increase in the consumption of web content regarding government entitlements relevant to Cbus retirees
- Both attendance at retirement seminars and the volume of general advice interactions relating to retirement topics increased compared to FY23.

As reported last year, the Fund undertook the planned extensive research program to better understand the retirement needs of members. Research insights have provided a deeper understanding of members':

- Work patterns leading up to and within retirement
- Household assets both within and outside super
- Priorities and confidence in retirement.

The research will inform the ongoing direction of the Retirement Strategy and Cbus' strategic areas of focus as we strive to continually improve member retirement outcomes.



Media Super member

Face to face servicing

Workplace Coordinators

One of the strengths of the Cbus servicing model is our coordinators. They provide an invaluable service through workplace visits, meeting with members at work and in their homes, assisting them with claims and providing information on superannuation. They also conduct information sessions at conferences and stakeholder meetings. They provide assistance with Death and TPD claims at a very difficult time for our members and their families. They also distribute material for members with English as a second language and utilise interpreter services when required.

Members continue to value our coordinator service giving a satisfaction score of 9.9 up from 9.6 in FY23. In FY24 they conducted 3,025 workplace visits and 14,335 individual member interactions. Staffing levels in the coordinator team impacted workplace visits. These issues are being addressed in FY25.

Front counter services

Cbus' unique front counter service continues to be highly valued by our members with a satisfaction score of 9.5 (a slight increase on last year).

Our front counter staff can provide assistance with paperwork, important information about accounts, and general advice so that members are making informed actions and decisions. They deal with many different issues such as benefit payments, financial hardship applications and the establishment of Super Income Stream accounts for members.

This year 9,239 members visited us at our front counters. Increased awareness of the service and some of our members' preference for face-to-face communication continues to drive demand for the front counters across the country.

Education

Our education programs (rated 9 out of 10 by attendees) continued to deliver for members and this year the team hosted a total of 299 education sessions reaching 10,234 of our members. Although we conducted slightly less (27) sessions than the previous year – the total attendance rate was higher (3,000 more members than the previous year).

Included in the total were 58 retirement-related education sessions reaching 3,127 members. Our retirement sessions explore the options members have in maximising their super in their post-work lives. Twenty of these sessions were held in person which proved very popular this year.

Our education sessions are targeted to segments of the membership and their needs, and focus on investments, insurance, boosting their super, super for women and regulatory updates. We conducted 241 education sessions for 7107 members of working age. Almost half of these sessions were held in person at workplaces both online and in person.

This year there was also an increase in opportunities to meet with our members in their workplaces through our employer and industry channels compared to previous years.

Advice

Cbus provides financial advice services to members through our in-house 'advice over the phone' service and a referral program with the Financial Advice Association of Australia (FAAA). Our advice over the phone service by qualified and experienced professionals, provides general information, guidance and limited personal advice to members on superannuation and retirement planning matters.

Members continue to utilise the service in high numbers - last year we held 19,929 conversations with members. 2024 saw a 23% increase in the provision of personal advice on matters related to members' retirement. We also organised 1,024 referrals to financial advisers through the Cbus and FAAA Member Referral Program. Our members who used the 'advice over the phone' service gave us a satisfaction score of 8.5, a slight increase on last year, indicating to the Fund that these interactions are highly valued.

In FY25 we are launching the following:

- A new in-house advice service for our members. Our new Retirement Advisers will be able to provide retirement advice to members and their partner or spouse. A fee may be incurred for this service depending on the nature of the advice provided
- Cbus will further enhance our advice offering in 2025 by launching a proactive outbound advice service, contacting members who are nearing retirement age to discuss their retirement planning needs.

These initiatives are a result of members' needs and feedback about the kind of affordable advice they want and need.

Insurance

Cbus continues to provide members and their families with default insurance, including for low balance members and under 25s under the Fund's Dangerous Occupation Exception (DOE), advocated by the Fund in 2020 as part of the Putting Members Interests First legislation.

A total of 236,460 Cbus members, as of 30 June 2024, have either retained insurance cover or been provided automatic cover under this exemption.This critical protection for Cbus members has proven a valuable benefit with a total of $106.9 million (846 claims) paid to Cbus members or their families/ beneficiaries between 1 April 2020 and 30 June 2024.

379 claims were paid under DOE in FY24. This increase in one year is due to the accumulating factors of:

- Minimum waiting periods required before members or their families can lodge a claim
- Workers' Compensation claims process. Around 50% of TPD applicants also have a workers' compensation claim and typically these members wait until that claim is finalised before lodging a TPD claim.

> "When I was in the industry, there was no death benefit for our employees apart from what they could obtain from workers' compensation or common law claims, and that was often a very long and tortuous exercise. Indeed, if death occurred away from the workplace, then workers weren't entitled to any benefit at all. Many was the occasion, I remember, when I had to take around the hat on the job, saying to the boys, 'Look, whatever you cough in, the company will cough in two for one or one for one', whatever it might be. Unfortunately, that was about the limit of the benefit that the member's beneficiaries would receive."

GEOFF COOK, PAST PRESIDENT OF THE AUSTRALIAN FEDERATION OF CONSTRUCTION CONTRACTORS AND ONE OF THE FIRST EMPLOYER DIRECTORS OF BUS [1].

Insurance claims

Cbus is committed to helping members in challenging times. FY24 has seen an increase in the number of claims submitted and paid by the Fund (see details in the table below).

	FY24		FY23	
Type (millions)	Number	$ paid (million)	Number	$ paid (million)
Death	999	132	730	90.6
Terminal Illness Benefit (TIB)	275	35	224	30.6
Total and Permanent Disablement (TPD)	2078	211	1694	171.3
Income Protection (IP)	281	6	201	4.4
Total	**3633**	**384**	**2849**	**296.9**





INSURANCE – CASE STUDY

Jerome Komene was working as a steel fixer at the Gold Coast casino when an accident changed his life.

Jerome was closing an aluminium framed window at his home when the frame broke, the glass fell down and guillotined his thumb.

"It was a completely random accident, but it's meant I can't use my favoured right hand, and I've had multiple surgeries over the past couple of years" Jerome explained.

Jerome can no longer work in his trade, but fortunately the Total and Permanent Disablement insurance through Cbus has made a huge difference.

"It's helped with some of my medical bills and helped get me out of the debt that I was in" he said.

With 14-year-old twin sons, Jerome has high living expenses.

"The food bill is huge,' he laughed.

Support when you need it most

Jerome says the support of coordinators Tracie Wilson and Mick Huddy made all the difference in putting together his insurance claim.

"If I hadn't had the help of Tracie and Mick I don't know how I would have got through the process, especially as I couldn't write. They helped me fill in forms and get information for my claim. I'm very grateful for the help they've given me".

Jerome's experience is not unique, and his story is a reminder that accidents can happen anywhere.

"I stay in touch with the boys at work and we talk about how lucky we are to be in an industry with good super and good insurance through Cbus".

Acceptance rates of insurance claims paid

In FY 24, Cbus paid 95.4% of TPD claims, and 96.8% for all insurance claims over the last three financial years, positioning Cbus as a market leader in claims acceptance, reflecting our commitment to providing a quality, and more generous insurance offering.

Loyalty rebate

Cbus is introducing an insurance loyalty rebate that comes into effect in late September 2024, in acknowledgment of the long-term commitment our members have to Cbus.

More than 260,000 members will benefit (out of our near 650,000 insured members under our group insurance contract).

The insurance loyalty rebate will provide a 2% rebate for members with between 10 years and 19 years of insured membership and a 4% rebate for members with 20 years or more of insured membership.

We believe we are the first fund to deliver this saving and acknowledgment of members loyalty.

TPD CLAIMS PAID TO MEMBERS

95.4%

96.8% for all insurance claims

over the last 3 financial years

INSURANCE CLAIMS PAID TO MEMBERS

$106.9m

paid to Cbus members or their families/ beneficiaries

between 1 April 2020 and 30 June 2024

[1] Refer to page 2 for further information regarding quotes.

Other member services

Contact Centre services

The Contact Centre answered more than 403,000 calls from members and employers in FY24 this financial year.

The member satisfaction score weighted average across member voice and email services was 6.7 (out 10) and has remained consistent year on year.

In FY24, we focused on further developing key competencies within our Contact Centre. In November 2023, we introduced the Next Best Conversation initiative, designed to enable staff to engage in more meaningful and productive interactions with our members. This initiative marked a shift from purely transactional exchanges to more educational conversations, where members received valuable insights on our products, services, educational sessions, and other pertinent information.

Looking ahead to FY25, we plan to continue enhancing the Next Best Conversation program to better support our members in their retirement planning. In addition, we intend to introduce a servicing strategy, within the centre, to streamline processes and effectively manage complex member inquiries, further elevating the overall member experience.

Cbus also provides a Livechat service to members and employers, giving them access to chat with a consultant online. This service continues to be highly rated among users (9.2 for the year) and gives our members choice in the way in which they contact the fund.

Recovering unpaid super

Cbus collected $198.3 million in unpaid super for our members during FY24 representing a record amount and up 57% on the previous year. Over the past five years, Cbus has recovered more than $600 million in unpaid super for more than 665,000 members.

New research by Super Members Council (SMC) shows building and construction workers are the most likely to experience unpaid super. According to SMC, 41% of labourers are impacted by unpaid super. This coupled with the high number of insolvencies in the construction industry results in people being left with unpaid entitlements including super. It is why Cbus has such a strong focus on compliance.

Cbus maintains a strong commitment to raising awareness and education around unpaid super. The Cbus Super Payment Checker application is designed to provide visibility of missing super payments. Authorised users are able to utilise the app to help identify if members are not receiving their super entitlements. With more than 33,000 searches on the app conducted in FY24, the demand for the service is rising with more than 7,000 more searches completed than last year.

Complaints received	FY24	FY23	Variance from previous year
Administration	3,912	4,339	-10%
Insurance	443	402	10%
Disability claims	489	382	28%
Death benefit distributions	210	82	156%
Total*	**5,054**	**5,205**	**-3%**

Complaint resolved	FY24	FY23	Variance from previous year
Complaints resolved <5 days	905	1,261	-28%
Complaints resolved >6 days	4,293	3,797	13%
Total*	**5,198**	**5,058**	**3%**

* Complaints received show the number of complaints recorded during the financial year. Complaints resolved will not match complaints received as some complaints remain open as at the end of the financial year.

Complaints

Complaints decreased by 3% overall compared to FY23. There was a 10% reduction in complaints related to administration and whilst overall complaints volumes reduced, complaints about the distribution of a death benefit increased 156%. This was due to the higher volume of death benefit decisions made in FY24. Complaints about disability claims also increased 28% as a result of higher claim decisions overall.

The main themes in complaints were delays in having claims finalised, delays in actioning administration instructions, and general quality of service.

We made changes to deliver a better service, including the way we manage claims for our members. Complaint volumes reduced in the second half of the year as those initiatives took effect. In FY25, we are continuing to focus on process improvement in order to address delays.

The average time taken to resolve a complaint in FY24 was 29 days, an increase from the 22 days in FY23. This increase was due to the higher complexity associated with death benefit and claim related complaints.

Three percent of complaints dealt with by the Fund proceeded through to the Australian Financial Complaints Authority (AFCA), which is 1% higher than last year. It is worth noting that the 7 matters determined at AFCA this year, all decisions were maintained in favour of the Fund.

Employers

The Employer Engagement team focuses on building and strengthening solid relationships with employers across Australia, holding 11,466 interactions in FY24. The team creates value by providing a direct contact point for administrative assistance and collaboration with employers.

Strategic relationships with employer associations and stakeholders continue to grow. We advocate for the industries in which our members' work and partner with our stakeholders to ensure that these industries are strong and viable for workers and employers. You can read more about our advocacy efforts on page 20.

Employers are provided with reports that show how engaged their employees are with their super. The reports allow us to work with employers to deliver fit for purpose digital campaigns and education sessions that grow members' engagement with their super during their working lives and into retirement[39].

FY24 saw an increase in the number of workplace financial education sessions. We partnered with employers to deliver financial wellbeing education sessions across Australia. We provide these services to Cbus members and employers at no extra cost.

With an increasing number of members being stapled (retaining membership of the first fund people join unless they change it), the Dangerous Occupation Exception for Cbus members continues to be a topic of importance for employers in the construction and related industries.

Employers whose staff were in EISS and moved to Cbus following the merger, continued to receive a high level of service and a smooth transition following the merger, particularly those with Defined Benefit plans where existing plans were mapped and integrated into Cbus activity.

In FY24 we continued to build relationships with Media Super employers and stakeholders following the merger with Cbus in 2022, across industries including print and performing arts, media, and communications.

In particular we have focused on access to members onsite for education and advice initiatives. We also began a student program with the Universities of South Australia, RMIT and Swinburne, delivering education to students in media and arts studies.

The team also provide employers with the following services:

- Onboarding and compliance support obligations
- Employer online and clearing-house support
- Regular superannuation updates and timely communications about legislative and regulatory changes
- A broad range of options to support employees including fact sheets and information, tools and calculators, access to seminars and phone or in-person advice.

The employer satisfaction scores remain low, largely as a result of our monthly arrears program. The Fund maintains a strong focus on employers needing to meet their SG obligations, and will continue to do so.

Economic pressures on employers have further exacerbated negative sentiment towards our arrears program. Challenges with Unique Superannuation Identifier seen in FY23 are being managed more effectively, however persist. We expect to see positive uplift with a change in the new member onboarding process by employers, to be implemented in FY25.

5.2* **EMPLOYER SATISFACTION WITH ALL CBUS EMPLOYER SERVICES**
2023 – 5.3

7.7 **SATISFACTION WITH EMPLOYER RELATIONSHIP MANAGEMENT TEAM**
2023 – 7.8

9.7 **EMPLOYER SATISFACTION WITH LIVE CHAT**
2023 – 9.6

4.2 **EMPLOYER SATISFACTION WITH CONTACT CENTRE**
2023 – 4.2

* This is a weighted average result. All satisfaction scores are out of 10.

[39] This is an internally generated report collated from data that the Fund have on members that are attached to the employer.



In profile
with

Josh Nichol
Cbus Coordinator Canberra and Riverina NSW

I started in hospitality and worked my way up to Sous Chef at the Canberra Hyatt, but it was high stress and I'd fallen out of love with cooking.

A mate suggested labouring for something different. It was a tough initially. The physical work takes a bit of getting used to. But I really enjoyed it.

One day the site foreman came up and said I should go have a talk to Cbus Coordinator Mark Dymock who was in the shed and I witnessed first-hand the benefits Cbus provides through their Coordinators.

Mark spoke about Cbus and how it's tailored for construction workers. He also explained I wasn't doing myself any favours paying fees to 5 or 6 different funds. It was a light bulb moment – consolidate your super. Mark took care of the rest.

I became a delegate, then in 2022, Mark told me he was retiring and that I should consider applying. It looked like a rewarding job.

If moving from 'cheffing' to construction had been physically hard, moving into super was a brain-ache. It's a highly complex area and I'd at least had a little exposure. You quickly understand why members appreciate our help.

My first site visit as a Coordinator was with a group of Burmese workers. Because of cultural differences with names and identification, the process of bringing them into Cbus from other funds took about two months. They loved the assistance and I got to know with many of the community.

Each day is full of helping people and encouraging them to take more interest in their super.

That can be about consolidating funds, getting the right insurance, ensuring beneficiaries are properly nominated, making extra contributions or advice about retirement. Our sponsoring unions understand how important this is and assist us enormously with looking after members.

I also talk to apprentices through the MBA and the Master Plumbers.

"It's important to talk to people early in their working lives so they can make better decisions – especially about the right insurance cover."

I also travel the NSW Riverina district visiting sites like the Griffith Hospital build or energy depots. I visit members to help them with paperwork and I often help families with insurance claims.

We make a difference to families suffering the grief of having lost a loved one by taking some of the stress off having to chase paperwork to make a death claim. They need the money but understand the need to go through the proper processes to get there. You go through part of their journey with them.

I'm on call to all members, including those who are retired. We help with unpaid super. Sometimes that's happened because of an admin error. Sometimes it means contacting the boss to make sure they make the payment. Sometimes it has to go further. But it's members money right?

I help retired members set up or make changes to income stream accounts. Often this means helping them with technology that they're not confident with. It can also mean helping them with Centrelink.

"I get a great sense of reward from helping people by making sometimes complex and daunting processes easier and enjoy making a positive difference in their lives. Cbus makes this possible because we know our members and their industries and we genuinely care about them."

I feel like I've found my calling. I've even rediscovered my love of cooking a great meal for the family.

Sustainable growth

Engagement with members and potential members is a key focus for Cbus. Being in regular meaningful contact with members throughout their working life and into retirement is important if we are to provide information and advice to them when they need it most.

We make sure that we deliver on our key objective which is to help to set members up for the retirement they want. Engagement with members and potential members, including through industry partnerships and brand-related activities can contribute to growth in member numbers and Funds under management, one of the strategic objectives of the fund. That's because the more FUM the greater the opportunities the Fund can invest in, and with growth comes the opportunity to maximise efficiency and reduce fees.

Industry partnerships

Industry partnerships are commercial arrangements designed to drive our member acquisition outcomes through promotion and facilitating strong working relationships with stakeholders in the Fund's target sectors.

Additionally, these commercial agreements provide access to strong communication channels to our shared membership bases to promote important financial issues such as insurance for workers in hazardous occupations and the value of financial advice in planning for retirement.

Our activity has included:

- 73 agreements with employer peak bodies, unions and industry training origination partners across both Cbus and Media Super
- Fund participation and contribution at 269 key events across the key industries for both Cbus and Media Super
- More than 1,000 marketing deliverables that included brand, advertising, campaigns and other promotional opportunities.

Our brand

In light of the Fund's 40th anniversary, our 'Making Hard Work Pay Off' brand campaign evolved to incorporate this important milestone. This campaign evolution has allowed the Fund to emphasize its longevity and history of delivering strong long-term returns for its members. It is also important to note that the anniversary campaign celebrates the past and is forward looking. We are proud to continue to build on our heritage as one of Australia's top specialist super funds. Our advertising and social media campaigns attract potential members and remind existing members that Cbus is the right super fund for them, as it focuses on the unique needs of their industries with the added context of the Fund's rich history.

Cbus conducts regular research into its marketing campaigns to ensure effectiveness and appropriate use of resources.

The Cbus brand campaign performs strongly in the market with 80% of members recognising it with a corresponding 49% of prospects. Many of the performance measures that contribute to this strong result exceed the global benchmarks for financial services according to our independent research company, Kantar. Other results for the campaign include 49% of prospect members having Cbus is in their top 2 funds under consideration if they were looking for a new fund. Loyalty is measured in the study, with 86% of members indicating a commitment to stay in the Fund for the next 12 months, up 11% from FY23. A very strong 80% of members rated the Fund's reputation very positively, with prospects also rating the fund strongly, at 46%.

When we look at the performance of the Media Super brand we see that there is continued strengthening, in line with its active marketing since merger. There has been an improvement of more than 14% in the measure asking members if they intend to stay with Media Super, rising to 80%. 56% of Media Super members have also indicated that they will increasingly recommend the Fund to others, an improvement of more than 7%.

Engagement with members

Over our 40 year history, Cbus has always been focussed on educating members about their super to help them make the best informed decisions about their retirement savings. Building on the strong brand campaign, we connect directly with members in many ways. These range from traditional channels including onsite visits, face-to-face, over the phone and via mail, and increasingly over the last decade through digital channels such as email, mobile, online, and social media.



During their working life, members tend to become more interested in their retirement savings as they age and their balance grows. Our engagement program is designed to support members from joining through to retirement, with a focus on age and balance-based cohorts to provide relevant, timely and more personalised information. We ran more than 20 campaigns for Cbus and Media Super members, on a range of super topics including account set-up, consolidation, contributions, insurance, beneficiaries and planning for retirement, with clear information about next steps for members. This action might be to visit a webpage, use a calculator, complete a form or contact the Member Services and/or Advice team.

Our retirement planning campaigns have helped to guide members who may be suited to our Super Income Stream product, contributing to the overall 7% increase in membership in FY24.

A key part of our commitment to educating our members has been our bi-annual updates through our Annual Statement and Super Summary (half-year) communication programs. While the 30 June statements are a reporting obligation for the Fund, we build on this requirement by taking the opportunity to inform and engage members about their super in a better way. We have created a highly segmented, personalised and content-rich experience that's primarily delivered online. It features personalised retirement income estimates and tailored video content for most. We create current and future value for members by framing their account to provide retirement income (rather than lump sums) and offering a tailored blend of personal and general advice aimed at maximising retirement savings.

In February, the Super Summary program provided an account 'health check' with a list to prompt positive action from members. Both programs include a newsletter providing general updates about super, investments, members and other key fund information.

Cbus' engagement approach was recognised by Chant West when announcing Cbus' win of the Chant West 2024 Best Fund: Member Services award^.

^ Refer to page 2 for further information about this award.

Our people

Cbus Team Members from our Melbourne office

Our people

'People' is one of the five core pillars of our strategy, reflecting the understanding that our people are key to our mission to deliver the best possible retirement outcomes for our members. Our aim is to ensure that all Cbus people are empowered to do their best work and share a sense of belonging, informed by our Fund's unique heritage, and aligned around our shared purpose.

"I feel that I've been a very privileged man to be involved in something like this from 1984 to the present day (1994). It has been one of the highlights, and the most rewarding job, I've ever had in my life."

MICK GUINANE, CBUS COORDINATOR

—

INTERVIEWED IN 1994 [1]

Our five-year People and Culture plan is underpinned by four fundamentals:

Attract and retain

We will continue to attract and retain a team of highly skilled talented people who reflect the diversity of our members for today and tomorrow.

Grow and develop our people

We will foster a learning culture that prioritises the development and career aspirations of our people, by providing accessible and diverse learning opportunities, building the capabilities needed to deliver on Cbus' strategic priorities, both now and into the future.

Employee experience

We are focused on creating an employee experience that brings us together around our shared values and purpose, creating a strong sense of connection, wellbeing and belonging. We will foster a culture that allows for change, innovation, collaboration and service excellence.

Organisational effectiveness

We are committed to continuing to create a culture that supports organisational agility and adaptability, enabling us to navigate significant reform and change.

[1] Refer to page 2 for further information regarding quotes.

Leadership

A critical element in delivering on each of these four fundamentals rests with the leadership of the Fund. Our Board, Executive and our people leaders play a crucial role in demonstrating the values and behaviours that create the culture in which the Fund strategy and our People and Culture plan is brought to life.

Executive team

Following the appointment of Kristian Fok as CEO in June 2023, the Cbus Executive Leadership team has continued to evolve to meet the strategic priorities of the Fund, including focussing on our core products, services and processes which are the foundation of our offering to members.

To address current member needs and our ability to respond, the transformation office, which was developed to run large-scale, complex transformation agenda, was dissolved.

Martha Georgiou was appointed to the role of Chief Risk Officer in June, replacing Wade Martin who resigned from the position in December. Alexandra West also decided to leave the Fund, with Bernie Dean joining as Acting Chief Strategy Officer.

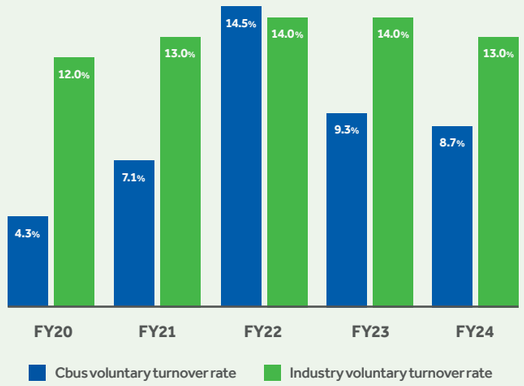
Attraction and retention

During the year we recruited 198 new employees* bringing our total number of employees to 764. Our voluntary turnover rate has continued to decline at 8.7%, which is well below the superannuation industry benchmark turnover rate** of 13.0%.

Over the last year we have uplifted our learning and development, cross-functional collaborative projects, leadership development and initiatives and programs to support our employees' mental, physical, emotional and financial wellbeing.

By continuing to invest and elevate the overall employee experience, providing a supportive, enriching and dynamic workplace, our goal is to continue to attract and retain top talent to support our aim of delivering the best possible retirement outcomes for our members.

Cbus versus industry turnover rate



* Permanent and Contract employees ** FIRG Policy and Practise Report

Employee experience

The connection, belonging and wellbeing of our people is at the forefront of our focus on creating the best possible employee experience at Cbus. We're bringing this to life in a range of ways including a dedicated focus on Diversity, Equity, Inclusion and Belonging (DEIB).

Diversity, Equity, Inclusion and Belonging (DEIB)

We seek to create an environment where all Cbus people feel seen, heard and respected. We're creating a workplace culture that is inclusive and recognises people's unique personalities and intersecting identities to optimise team performance and create a true sense of belonging. We respond to the diverse needs of our people, members and communities to strengthen our workplace culture and engagement with our industry and our members, as we work to provide them the best possible retirement outcomes. Pleasingly, support for diversity and inclusion in the workplace received one of the highest ratings from our people in the recent Listening To Cbus employee engagement survey.

LGBTQIA+ recognition and engagement

We demonstrate our commitment to LGBTQIA+ inclusion through our LGBTQIA+ Employee Representative Group (ERG). Their work has raised awareness and developed resources to promote allyship, celebrating Pride Month with an employee event that highlighted and supported LGBTQIA+ identities. This year the group also introduced the use of pronoun identification in email signatures to foster a more inclusive environment for all.

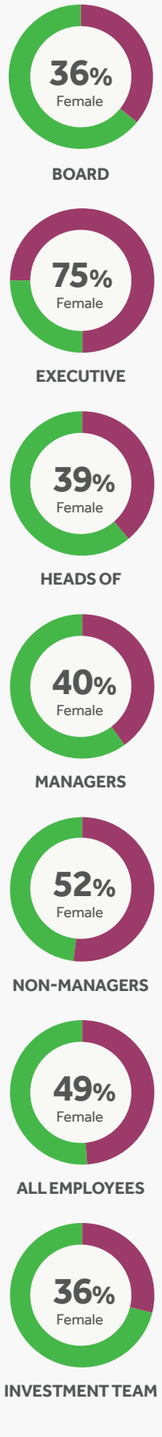
Reconciliation Action Plan

Over the past year, we have partnered with Aboriginal-owned and managed consulting and training organisation, YarnnUp to develop our Reflect Reconciliation Action Plan (RAP).

Our RAP working group began National Reconciliation Week by deepening cultural understanding and forging connections with the Koorie Heritage Trust, culminating in a meaningful Birrarung Wilma (River Camp Walk).

As part of our National Reconciliation Week celebrations, Cbus also proudly unveiled our RAP-commissioned artwork, designed by Elaine Chambers-Hegarty, an Aboriginal artist and designer with cultural links to the Koa (Guwa), Kuku Yalanji, and Barada Barna peoples. The work visually narrates the journey of Cbus through themes of people, pathways to retirement, teamwork, accountability, innovation, mergers, and forward thinking.

Gender equity





This work was warmly received by Cbus employees and has already been used to signal our reconciliation journey.

Our RAP has now been submitted to Reconciliation Australia, and as we await final endorsement, we are eager to implement and fulfill the commitments outlined, engaging our people and laying the groundwork for its success. In doing so we wish to play our part in supporting and advancing reconciliation for Aboriginal and Torres Strait Islander peoples within our fund and across our sphere of influence.

Gender equity

Cbus is committed to closing the gender pay gap by offering comprehensive support, including flexible working arrangements, and other generous leave benefits to cater to the diverse needs of our employees.

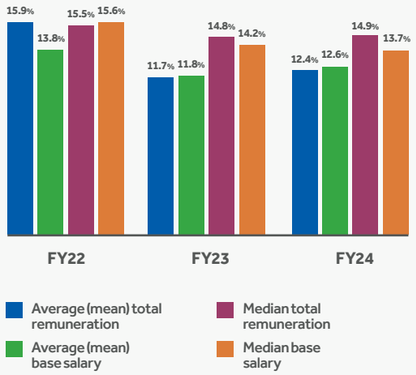
Gender representation levels for executive roles overall has improved over the last 12 months. As of June 30, 2024, women held 75% of our executive roles, surpassing our 50% target, and our overall female employee percentage reached 49%, exceeding last year's figure by 1%.

In FY23 we undertook a Gender Pay Gap Analysis, comparing the difference between women's and men's average pay and composition across the Fund. We found a median base-salary gender pay gap of 14.2%. Using the WGEA methodology, Cbus calculated gender pay gap for FY24 was 13.7%.[40] Whilst this pay gap is significantly lower than the financial services average of 26.1%, we acknowledge that there is more work that needs to be done, and that workplace gender equality is about more than just compliance and pay; it is about creating policies, practices, and procedures to enable all employees to thrive.

Cbus is taking a proactive approach to further reducing the gender pay gap. We have commenced a process of correcting instances of unequal pay and will undertake a further Gender Pay Gap Analysis in the coming months, to identify the drivers behind our pay gap and assist us in our planning and preparation for our submission for WGEA Employer of Choice for Gender Equality citation. This citation is something we are committed to working towards. WGEA have put applications for this citation on hold in 2024 but it is expected that WGEA will re-commence this process in late 2024.

Gender PAY GAP over time

All employees



Employee engagement

Listening to Cbus – Employee engagement survey 2024

Cbus held its annual 'Listening to Cbus` employee engagement survey earlier this year, providing our people with the chance to share their valuable insights and feedback on working at Cbus. The survey was completed by 87% of our people, a record high participation rate for our Fund.

Our overall engagement score was 69, which is 1 higher than last year's score and 1 below the financial services benchmark of 70. Some of the strongest drivers of our employee engagement include 'I would recommend Cbus as a great place to work' (80%) and 'I am proud to work for Cbus`(77%).

As a fund, we will use the insights gained from this survey to continue to help shape and evolve our employee experience, building on existing employee engagement strengths and allowing us to plan for and focus on areas for improvement.

[40] The median gender pay gap is calculated as the difference between women's and men's median earnings expressed as a percentage of men's median earnings, which aligns with the WGEA methodology and definitions.



Reconnection

As we evolve, we also value our rich history and the relationships that align with our strong sense of purpose and industry. This last year we've made significant inroads in re-establishing connections with key industry partners including, in particular, Women In Super (WIS) and Mother's Day Classic (MDC), partnership organisations we have shared a long association with. This marks a positive move, enhancing mutual support across our community and sector.

We support the vision of WIS to improve retirement outcomes for all women and share in its goal to enhance the career development, networking, and progression opportunities of women at all levels across the superannuation industry.

Cbus has long supported the WIS MDC in its mission to raise funds and awareness for breast cancer research (for the first-time this year, ovarian cancer). The MDC has great historical significance to Cbus, with our previous Fund Secretary, the late Mavis Robertson, a founding member of the event. In May 2024, Cbus came together as an organisation to celebrate this renewed connection with an event across all Cbus offices.

Our people have always felt a strong connection to the MDC and this year we had more than 90 members of Team Cbus raising more than $11,000 for vital cancer research.

Health, safety and wellbeing

In 2024, Cbus developed and launched its first mental health, safety and wellbeing strategy and action plan, with the guiding themes of care, connection and belonging. Our aim is to create a workplace that is proactive in managing psychological safety and supportive of employees experiencing mental ill health.

Our leaders are key to this support and in 2024 we launched our mandatory people-leader training "Leading Minds".

Organisational effectiveness

As part of our strategy, Cbus is committed to continuing to create a culture that supports organisational agility and adaptability, enabling us to navigate significant reform and change.

Over the past 12 months, our People & Culture team have partnered with the Cbus Executive team and leaders across the Fund to support organisational improvements designed to streamline our effectiveness and optimise our performance.

These changes were implemented at the senior leadership level, including the consolidation of business units where required. This has delivered greater alignment of function, reduced duplication and provided greater clarity in roles, responsibilities, and capacity to recruit for targeted skills. As a result, Cbus has seen an uplift in leadership capability across our teams.

Feedback from 'Listening to Cbus' was also used to help steer organisational re-design, in particular, responding to employees' feedback around key areas for improvement such as providing greater role clarity and driven by our aim to continue to support and empower our people within their areas of responsibility.

Cbus is also progressing an enterprise-wide change practice to enhance employees' engagement with and understanding of key projects and changes to ways of working driven by our strategic priorities. This will ensure a smooth transition as we manage the impacts of business change and regulatory requirements in conjunction with our 'business as usual' operations.

Compass 2024

On 1 July 2024, all Cbus employees came together to celebrate the 40th anniversary of our fund, with an emphasis of connecting our people to our fund's heritage and achievements, and building a greater understanding of and alignment with, our future goals and aspirations. The event provided our people with an opportunity to learn more about the Cbus story as it has unfolded since 1984.



Financial and other information

83 Pirie Street Adelaide, by Cbus Property

Financial information

Condensed Financial Statements

The Cbus Financial Statements are prepared in accordance with relevant legislative requirements and Australian Accounting Standards and consist of a Directors' Report (including a Remuneration Report), Financial Statements and an Independent Auditor's Report.

Each year the Annual Financial Statements are reviewed and approved by the Trustee's Board of Directors. Below is a condensed financial summary extracted from the 2024 Cbus Financial Statements.

If you would like more detailed financial information, including the audited Financial Statements and Auditor's Report, you can find them online at :

cbussuper.com.au/content/dam/cbus/files/governance/reporting/cbus-annual-financial-report-2024.pdf

Copies of these can also be requested by calling us on:

1300 361 784

Statement of Financial Position as at 30 June 2024

	2024 $'000	2023 $'000
Assets and liabilities		
Cash and cash equivalents	194,496	121,269
Net financial assets	94,735,530	85,702,954
Other assets	58,938	82,111
Less: liabilities	(2,559,934)	(2,254,198)
Net assets available for members' benefit	**92,429,030**	**83,652,136**
Less: members' liabilities	(91,960,631)	(83,260,910)
Net assets	**468,399**	**391,226**
Equity		
Operational risk reserve	231,073	209,130
Other reserves	237,326	182,096
Total equity	**468,399**	**391,226**

Income Statement for the year ended 30 June 2024

	2024 $'000	2023 $'000
Superannuation activities revenue		
Interest	538,858	387,347
Dividends and distributions	1,646,451	1,523,247
Changes in fair value of financial instruments	5,791,540	5,115,042
Other investment income	52,401	43,359
Total superannuation activities revenue	**8,029,250**	**7,068,995**
Expenses		
Investment expenses	(271,625)	(239,655)
Administration and other operating expenses	(282,833)	(259,113)
Insurance premium expenses	(19,823)	(46,652)
Total expenses	**(574,281)**	**(545,420)**
Result from superannuation activities before income tax (expense)/benefit	**7,454,969**	**6,523,575**
Income tax (expense)/benefit	(525,020)	(431,607)
Results from superannuation activities after income tax (expense)/benefit	**6,929,949**	**6,091,968**
Net (benefits)/losses allocated to members' accounts	(6,805,276)	(6,097,186)
Net change in defined benefit members' liabilities	(47,500)	(26,553)
Operating result after income tax	**771,173**	**(31,771)**

Statement of Changes in Members' Benefits for the year ended 30 June 2024

	2024 $'000	2023 $'000
Opening balance of members' benefits	**83,260,910**	**69,567,171**
Add:		
Contributions received	6,524,600	5,622,235
Net transfers from other superannuation funds	1,079,972	1,428,355
Successor funds transfers	-	5,076,099
Net investment income/(loss)	7,028,683	6,308,642
Death and disability insurance entitlements received	382,727	294,474
Net change in defined benefit members' liabilities	47,500	26,553
Less:		
Benefits paid to members' accounts	(4,836,044)	(3,642,104)
Administration fees	(223,407)	(211,456)
Insurance premiums charged to members	(416,852)	(435,252)
Income tax on contributions	(887,458)	(773,807)
Closing balance of members' benefits	**91,960,631**	**83,260,910**

Statement of Changes in Equity/Reserves

The Fund maintains reserves to cover day-to-day operations and regulatory requirements. The Fund's reserves for the last three years are outlined in the table below:

	General reserve $'000	Administration reserve $'000	Insurance reserve $'000	Operational risk reserve $'000	Defined benefits (under)/over funded $'000	Total equity $'000
Opening balance as at 1 July 2022	**-**	**63,340**	**103,549**	**174,772**	**-**	**341,661**
Closing balance as at 30 June 2023	**(48,039)**	**103,642**	**111,242**	**209,130**	**15,251**	**391,226**
Net transfers (to)/from reserves	432	527	149	(1,108)	-	-
Operating result after income tax	55,814	29,813	15,995	23,051	(47,000)	77,173
Closing balance as at 30 June 2024	**8,207**	**133,982**	**127,386**	**231,073**	**(32,249)**	**468,399**

General Reserve

The General Reserve manages the receipt of investment income and payment of investment related expenses and taxes. This reserve is also used for the allocation of investment earnings to members via the process of declaring daily crediting rates.

The Trustee's Board of Directors has determined that the General Reserve is to be maintained within a range of 0.00%–0.25% of the Fund's net assets available for members' benefits. The factors considered in setting this range are governed by the Trustee reserving policies.

Administration Reserve

The Administration Reserve manages the receipt of member administration fees and the payment of Fund administration and operating expenses. The reserve is also used to cover unexpected and unbudgeted expenses of the Fund, including the delivery of significant projects that are not business as usual based, along with the Fund's responses to any emerging risks and opportunities for delivering member benefits.

The Trustee's Board has determined that the Administration Reserve is to be maintained within a range of -10% /+20% of the current target level set at $77.5m. The factors considered in setting this range are governed by the Trustee's reserving policies.

`The Fund is required to maintain an ORR to meet potential losses arising from business operations. The Trustee considered it appropriate to maintain a target level of the ORR at 0.25% of the Fund's net assets available for members' benefits. The adequacy of the ORR is reviewed annually, or in response to material changes in business operations.

Insurance Reserve

An Insurance Reserve is held separately from other fund reserves to manage member insurance arrangements. It is funded from premiums deducted from members' accounts, the tax benefits from the payment of premiums to the insurer, and investment earnings on the reserve.

The reserve is maintained within a targeted range that aims to provide stability to the level of annual member insurance premiums.

The Insurance Reserve is used only for insurance-related purposes to:

- Collect deductions and pay the insurer the premiums
- Pay for the operating and administration costs for insurance and claims
- Provide premium price relief to insured members
- Set aside money to meet the financial obligations of our insurance providers
- Fund strategies to reduce insurance claims over the long-term
- Develop and improve insurance offerings
- Meet additional self-insurance Defined Benefit entitlements
- Implement legislative changes
- Pay for a risk fee charged by the Trustee Office.

The Trustee has an arrangement with the insurer under which:

- It may receive a payment from the insurer in years where the level of claims compared to premiums is low
- It may be required to pay the insurer in years where the level of claims compared to premiums is high. These payments will not exceed 10% of the premiums paid for the relevant year
- Any payments the Fund receive from the insurer must be used for insurance-related services.

Premiums due to the insurer may be adjusted upwards or downwards under the contractual arrangements depending upon actual claims experience.

The table below shows the payments made from or received by Cbus in relation to the above arrangement over the past three years.

Financial year	Amount received/(paid) by Cbus
2023/2024	($5,304,525) paid by Cbus
2022/2023	($20,118,596) paid by Cbus
2021/2022	($32,290,663) paid by Cbus

At 30 June 2024, the contingent liability on a tax adjusted basis to insurers was $109.8 million, and the Insurance Reserve had an additional $15.4 million.

Annually, the Trustee reviews the level of Insurance Reserve. The current level of premium price relief for members has been in place since July 2022.

Independent Limited Assurance Report to the Directors of United Super Pty Ltd as trustee for Construction and Building Unions Super Fund (Cbus)

Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatement in the information subject to assurance comprising pages 8 to 67 of the Cbus Integrated Report 2024 for the year ended 30 June 2024, which has been prepared by Cbus in accordance with the International Financial Reporting Standards (IFRS) Foundation's Integrated Reporting Framework.

Information Subject to Assurance

Cbus engaged KPMG to perform a limited assurance engagement in relation to the information subject to assurance as presented in pages 8 to 67 of the Cbus Annual Integrated Report 2024 for the year ended 30 June 2024 (Cbus Integrated Report).

Criteria used as the Basis of Reporting

The criteria used as the Basis of Reporting is the IFRS Foundation's Integrated Reporting Framework <IR Framework> as disclosed in the Cbus Integrated Report, collectively referred to as the 'criteria'. We assessed the Cbus Integrated Report against the criteria. The Cbus Integrated Report needs to be read and understood together with the criteria.

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits* or *Reviews of Historical Financial Information* (ASAE 3000). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In accordance with ASAE 3000 we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance about whether the Information Subject to Assurance is free from material misstatement, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- Interviews with executives, senior management and staff to understand the internal controls, governance structure and reporting process relevant to the Cbus Integrated Report;
- Reviewing the description of the Cbus strategy and how Cbus creates value in the Cbus Integrated Report and enquiring of management as to whether the description accurately reflects their understanding;
- Assessment of the suitability and application of the <IR> Framework in respect of the Cbus Integrated Report. This included an analysis of the Cbus Integrated Report compared to the Guiding Principles and Content Elements of the <IR> Framework;
- Reviewing Cbus' processes underlying the identification of material issues and criteria Cbus's own materiality assessment with reference to multiple sources of information including print and social media, external framework requirements and peer and industry reporting trends;
- Assessment of the alignment between the Cbus strategy and the disclosures on how Cbus creates value and what matters most to Cbus stakeholders;
- Reviewing Board minutes to check consistency with the Cbus Integrated Report;
- Agreeing the Cbus Integrated Report to relevant underlying documentation on a sample basis;
- Analytical procedures over the key metrics in the Cbus Integrated Report; and
- Review of the Cbus Integrated Report in its entirety to check it is consistent with our overall knowledge obtained during the assurance engagement.

Inherent limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or material misstatement in the Cbus Integrated Report may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

How We Define Limited Assurance and Material Misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance conclusion.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Cbus.

Use of this Assurance Report

This report has been prepared for the Directors of Cbus to assist the directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Information Subject to Assurance and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of Cbus or for any other purpose than that for which it was prepared.

Management's Responsibility

Management of Cbus is responsible for:

- selecting or developing suitable criteria for preparing the Cbus Integrated Report and appropriately referring to or describing the criteria used;
- ensuring that those criteria are relevant and appropriate to the Directors of Cbus; and
- establishing and maintaining systems, processes and internal controls that enable the preparation and presentation of the Cbus Integrated Report that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Cbus Integrated Report 2024 for the year ended 30 June 2024, and to issue an assurance report that includes our conclusion based on the procedures we have performed and evidence we have obtained.

Our Independence and Quality Management

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants* (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board and complied with the applicable requirements of Auditing Standard *ASQM1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements* to design, implement and operate a system of quality management.

KPMG

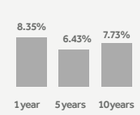
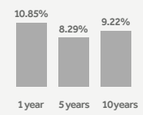
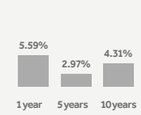
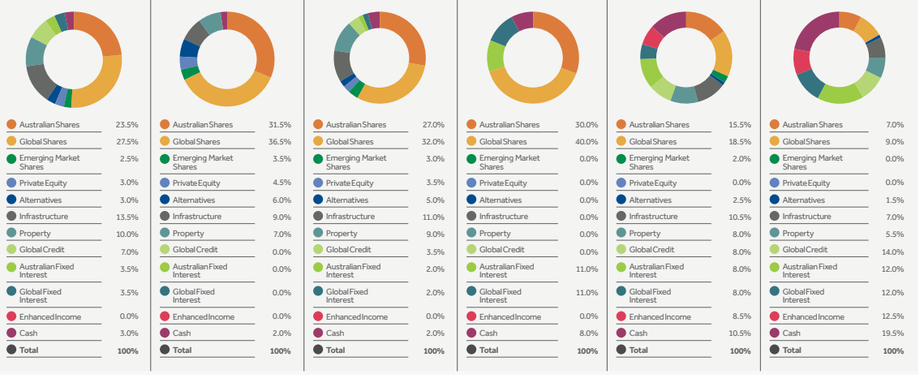
KPMG
Melbourne

Julia Bilyanska

Julia Bilyanska
Partner, KPMG
Melbourne
25 October 2024

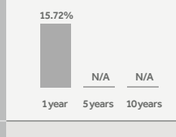
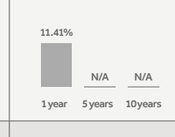
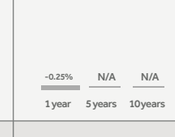
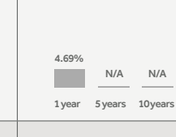
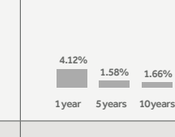
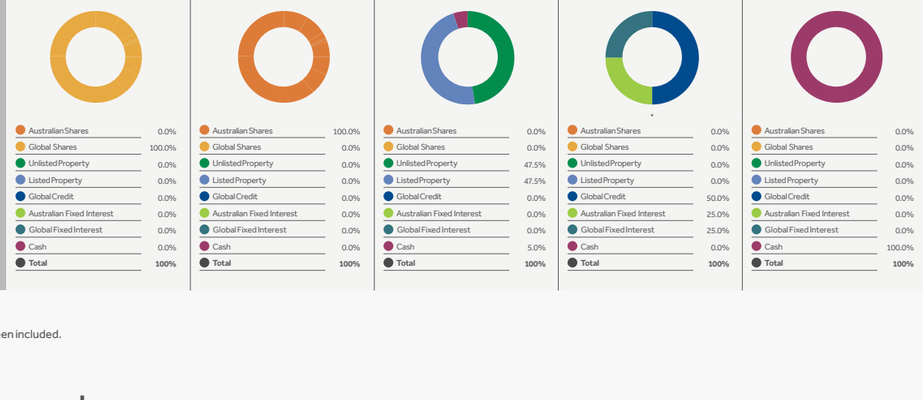
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Superannuation options

	Pre-mixed investment options - Accumulation					
	Growth (MySuper)	High Growth	Growth Plus	Indexed Diversified	Conservative Growth	Conservative
Risk / return level						
Risk level/ (band)	Medium to High	High	High	High	Medium	Low to Medium
Investment return objective	To deliver an after-tax return of inflation plus 3.25% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 3.75% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 3.50% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 2.25% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 2.25% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 1.00% per annum over rolling 10-year periods
Likelihood of negative annual returns	3 to 4 in every 20 years	5 to 6 in every 20 years	4 to 5 in every 20 years	5 to 6 in every 20 years	2 to 3 in every 20 years	1 to 2 in every 20 years
Actual negative annual return since inception*	4 in 40 years	6 in 26 years	0 in 2 years	0 in 2 years	1 in 7 years	2 in 24 years
Annual returns at 30 June 2024						
Annual returns - since inception	8.87%	7.74%	5.75%	5.64%	5.37%	5.47%
Strategic asset allocation at 30 June 2024						

* Only full financial years have been included.

Superannuation options

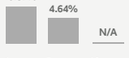
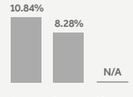
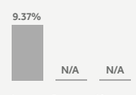
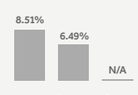
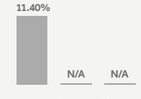
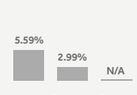
	DIY investment options - Accumulation				
	Overseas Shares	Australian Shares	Property	Diversified Fixed Interest	Cash
Risk / return level					
Risk level/ (band)	Very High	Very High	High	Low to Medium	Very Low
Investment return objective	To outperform the MSCI All Country World ex Australia Index (unhedged), after fees and adjusted for super tax	To outperform the S&P/ASX 300 Accumulation Index, net of fees and adjusted for super tax	To achieve an after-tax return of inflation plus 2.5% pa over rolling 10-year periods	To deliver an after-tax return of inflation plus 0.5% over rolling 10-year periods	To deliver a return which meets the RBA Cash Rate (after adjusting for tax)
Likelihood of negative annual returns	6 to 7 in every 20 years	6 to 7 in every 20 years	4 to 5 in every 20 years	1 to 2 in every 20 years	Negligible in 20 years
Actual negative annual return since inception*	0 in 2 years	0 in 2 years	2 in 2 years	0 in 2 years	0 in 15 years
Annual returns at 30 June 2024					
Annual returns - since inception	8.06%	7.20%	-2.11%	0.39%	2.19%
Strategic asset allocation at 30 June 2024					

* Only full financial years have been included.

Cbus Self-Managed

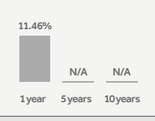
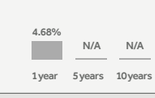
Accumulation	Cbus Self-Managed Property	Cbus Self-Managed Infrastructure
Risk profile	Medium to High	High
To deliver an after-tax and investment fees return, over 10-year rolling periods	To deliver an after-tax return of at least inflation plus 2.75% p.a. over rolling 10-year periods	To deliver an after-tax return of at least inflation plus 3.25% p.a. over rolling 10-year periods
Likelihood of negative annual returns	3 to 4 in every 20 years	3 to 4 in every 20 years
Actual performance p.a. since inception (29 Jul 15)	**6.73%**	**10.45%**

Transition to retirement

	Pre-mixed investment options - Transition to Retirement (TTR)					
	Conservative Growth (Default)	High Growth	Growth Plus	Growth	Indexed Diversified	Conservative
Risk / return level						
Risk level/ (band)	Medium	High	High	Medium to High	High	Low to Medium
Investment return objective	To deliver an after-tax return of inflation plus 2.25% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 3.75% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 3.50% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 3.25% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 2.25% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 1.00% per annum over rolling 10-year periods
Likelihood of negative annual returns	2 to 3 in every 20 years	5 to 6 in every 20 years	4 to 5 in every 20 years	3 to 4 in every 20 years	5 to 6 in every 20 years	1 to 2 in every 20 years
Actual negative annual return since inception*	1 in 7 years	1 in 7 years	0 in 2 years	1 in 7 years	0 in 2 years	1 in 7 years
Annual returns at 30 June 2024						
Annual returns - since inception	5.46%	8.92%	5.31%	7.25%	5.65%	3.84%
Strategic asset allocation at 30 June 2024						
	Australian Shares 15.5% Global Shares 18.5% Emerging Market Shares 2.0% Private Equity 0.0% Alternatives 2.5% Infrastructure 10.5% Property 8.0% Global Credit 8.0% Australian Fixed Interest 8.0% Global Fixed Interest 8.0% EnhancedIncome 8.5% Cash 10.5% **Total 100%**	Australian Shares 31.5% Global Shares 36.5% Emerging Market Shares 3.5% Private Equity 4.5% Alternatives 6.0% Infrastructure 9.0% Property 7.0% Global Credit 0.0% Australian Fixed Interest 0.0% Global Fixed Interest 0.0% EnhancedIncome 0.0% Cash 2.0% **Total 100%**	Australian Shares 27.0% Global Shares 32.0% Emerging Market Shares 3.0% Private Equity 3.5% Alternatives 5.0% Infrastructure 11.0% Property 9.0% Global Credit 3.5% Australian Fixed Interest 2.0% Global Fixed Interest 2.0% EnhancedIncome 0.0% Cash 2.0% **Total 100%**	Australian Shares 23.5% Global Shares 27.5% Emerging Market Shares 2.5% Private Equity 3.0% Alternatives 3.0% Infrastructure 13.5% Property 10.0% Global Credit 7.0% Australian Fixed Interest 3.5% Global Fixed Interest 3.5% EnhancedIncome 0.0% Cash 3.0% **Total 100%**	Australian Shares 30.0% Global Shares 40.0% Emerging Market Shares 0.0% Private Equity 0.0% Alternatives 0.0% Infrastructure 0.0% Property 0.0% Global Credit 0.0% Australian Fixed Interest 11.0% Global Fixed Interest 11.0% EnhancedIncome 0.0% Cash 8.0% **Total 100%**	Australian Shares 7.0% Global Shares 9.0% Emerging Market Shares 0.0% Private Equity 0.0% Alternatives 1.5% Infrastructure 7.0% Property 5.5% Global Credit 14.0% Australian Fixed Interest 12.0% Global Fixed Interest 12.0% EnhancedIncome 12.5% Cash 19.5% **Total 100%**

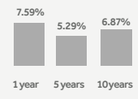
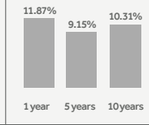
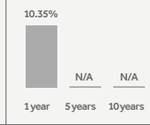
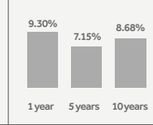
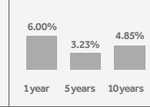
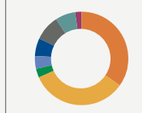
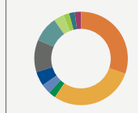
* Only full financial years have been included.

Transition to retirement options

	DIY investment options - Transition to Retirement (TTR)				
	Overseas Shares	Australian Shares	Property	Diversified Fixed Interest	Cash
Risk / return level					
Risk level/ (band)	Very High	Very High	High	Low to Medium	Very Low
Investment return objective	To outperform the MSCI All Country World ex Australia Index (unhedged), after fees and adjusted for super tax	To outperform the S&P/ASX 300 Accumulation Index, net of fees and adjusted for super tax	To achieve an after-tax return of inflation plus 2.5% pa over rolling 10-year periods	To deliver an after-tax return of inflation plus 0.5% over rolling 10-year periods	To deliver a return which meets the RBA Cash Rate (after adjusting for tax)
Likelihood of negative annual returns	6 to 7 in every 20 years	6 to 7 in every 20 years	4 to 5 in every 20 years	1 to 2 in every 20 years	Negligible in 20 years
Actual negative annual return since inception*	0 in 2 years	0 in 2 years	2 in 2 years	0 in 2 years	0 in 7 years
Annual returns at 30 June 2024					
Annual returns - since inception	8.02%	7.29%	-2.30%	0.38%	1.62%
Strategic asset allocation at 30 June 2024					
	Australian Shares 0.0% Global Shares 100.0% UnlistedProperty 0.0% ListedProperty 0.0% Global Credit 0.0% Australian Fixed Interest 0.0% Global Fixed Interest 0.0% Cash 0.0% **Total 100%**	Australian Shares 100.0% Global Shares 0.0% UnlistedProperty 0.0% ListedProperty 0.0% Global Credit 0.0% Australian Fixed Interest 0.0% Global Fixed Interest 0.0% Cash 0.0% **Total 100%**	Australian Shares 0.0% Global Shares 0.0% UnlistedProperty 47.5% ListedProperty 47.5% Global Credit 0.0% Australian Fixed Interest 0.0% Global Fixed Interest 0.0% Cash 5.0% **Total 100%**	Australian Shares 0.0% Global Shares 0.0% UnlistedProperty 0.0% ListedProperty 0.0% Global Credit 50.0% Australian Fixed Interest 25.0% Global Fixed Interest 25.0% Cash 0.0% **Total 100%**	Australian Shares 0.0% Global Shares 0.0% UnlistedProperty 0.0% ListedProperty 0.0% Global Credit 0.0% Australian Fixed Interest 0.0% Global Fixed Interest 0.0% Cash 100.0% **Total 100%**

* Only full financial years have been included.

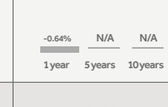
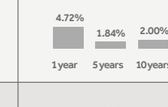
Super income stream options

	Pre-mixed investment options - Super Income Stream					
	Conservative Growth (Default)	High Growth	Growth Plus	Growth	Indexed Diversified	Conservative
Risk / return level						
Risk level/ (band)	Medium	High	High	Medium to High	High	Low to Medium
Investment return objective	To deliver an after-tax return of inflation plus 2.75% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 3.75% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 3.65% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 3.50% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 2.50% per annum over rolling 10-year periods	To deliver an after-tax return of inflation plus 1.50% per annum over rolling 10-year periods
Likelihood of negative annual returns	2 to 3 in every 20 years	5 to 6 in every 20 years	4 to 5 in every 20 years	3 to 4 in every 20 years	5 to 6 in every 20 years	1 to 2 in every 20 years
Actual negative annual return since inception*	1 in 10 years	2 in 15 years	0 in 2 years	1 in 15 years	0 in 2 years	1 in 15 years
Annual returns at 30 June 2024						
Annual returns - since inception	6.99%	10.91%	6.20%	9.39%	6.56%	5.92%
Strategic asset allocation at 30 June 2024						

	Conservative Growth (Default)	High Growth	Growth Plus	Growth	Indexed Diversified	Conservative
Australian Shares	18.0%	35.0%	30.5%	26.5%	30.0%	8.5%
Global Shares	16.5%	33.5%	29.0%	25.0%	40.0%	7.5%
Emerging Market Shares	1.5%	3.0%	2.5%	2.0%	0.0%	0.0%
Private Equity	0.0%	4.5%	3.5%	3.0%	0.0%	0.0%
Alternatives	2.5%	6.0%	5.0%	3.0%	0.0%	1.5%
Infrastructure	10.5%	9.0%	11.0%	13.5%	0.0%	7.0%
Property	8.0%	7.0%	9.0%	10.0%	0.0%	5.5%
Global Credit	8.0%	0.0%	3.5%	7.0%	0.0%	14.0%
Australian Fixed Interest	8.0%	0.0%	2.0%	3.5%	11.0%	12.0%
Global Fixed Interest	8.0%	0.0%	2.0%	3.5%	11.0%	12.0%
EnhancedIncome	8.5%	0.0%	0.0%	0.0%	0.0%	12.5%
Cash	10.5%	2.0%	2.0%	3.0%	8.0%	19.5%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

* Only full financial years have been included.

Super income stream options

	DIY investment options - Super Income Stream				
	Overseas Shares	Australian Shares	Property	Diversified Fixed Interest	Cash
Risk / return level					
Risk level/ (band)	Very High	Very High	High	Low to Medium	Very Low
Investment return objective	To outperform the MSCI All Country World ex Australia Index (unhedged), after fees	To outperform the S&P/ASX 300 Accumulation index (after adjusting for tax)	To achieve an after-tax return of inflation plus 2.75% pa over rolling 10-year periods	To deliver an after-tax return of inflation plus 0.5% over rolling 10-year periods	To deliver a return which meets the RBA Cash Rate (after adjusting for tax)
Likelihood of negative annual returns	6 to 7 in every 20 years	6 to 7 in every 20 years	4 to 5 in every 20 years	1 to 2 in every 20 years	Negligible in 20 years
Actual negative annual return since inception*	0 in 2 years	0 in 2 years	2 in 2 years	0 in 2 years	0 in 15 years
Annual returns at 30 June 2024					
Annual returns - since inception	8.68%	8.07%	-3.12%	0.47%	2.61%
Strategic asset allocation at 30 June 2024					

	Overseas Shares	Australian Shares	Property	Diversified Fixed Interest	Cash
Australian Shares	0.0%	100.0%	0.0%	0.0%	0.0%
Global Shares	100.0%	0.0%	0.0%	0.0%	0.0%
UnlistedProperty	0.0%	0.0%	47.5%	0.0%	0.0%
ListedProperty	0.0%	0.0%	47.5%	0.0%	0.0%
GlobalCredit	0.0%	0.0%	0.0%	50.0%	0.0%
Australian Fixed Interest	0.0%	0.0%	0.0%	25.0%	0.0%
Global Fixed Interest	0.0%	0.0%	0.0%	25.0%	0.0%
Cash	0.0%	0.0%	5.0%	0.0%	100.0%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

* Only full financial years have been included.

Cbus Self-Managed

Super Income Stream	Cbus Self-Managed Property	Cbus Self-Managed Infrastructure
Risk profile	Medium to High	High
To deliver an after-tax and investment fees return, over 10-year rolling periods	To deliver an after-tax return of at least inflation plus 3.0% p.a. over rolling 10-year periods	To deliver an after-tax return of at least inflation plus 3.5% p.a. over rolling 10-year periods
Likelihood of negative annual returns	3 to 4 in every 20 years	3 to 4 in every 20 years
Actual performance p.a. since inception (29 Jul 15)	**6.73%**	**10.45%**

Defined Benefit investment option

This option invests a proportion of funds in growth assets such as Australian and global shares. This means returns may go up or down in the short to medium term but are expected to be well above inflation over the long term.

Risk / return level	
Risk level/(band)	**Medium to High**
Investment return objective	Deliver an after-tax return of inflation plus: 2.8% a year over rolling 10-year periods
Growth/defensive split	55%/45%
Likelihood of negative returns	3 to 4 in every 20 years
Minimum investment timeframe	10+ years
Return since inception	**5.58%**
Strategic asset allocation and range	

	Allocation %	Range %
Australian Shares	16.5%	0.0-30.0
Global Shares	22.0 %	0.0-38.0
Infrastructure	13.5%	0.0-28.0
Property	11.0%	0.0-28.0
Global Credit	8.5%	0.0-18.0
Australian Fixed Interest	11.0%	0.0-50.0
Global Fixed Interest	11.0%	0.0-50.0
Cash	6.5%	1.0-49.5

Key service providers

External investment managers 77

% of fund internally managed 34

Please note: this excludes Cbus internal managers including Cbus Property and those categorised under Other.

List of external investment managers

- Acorn Capital Investment Fund Limited
- Airlie Funds Management
- Allan Gray Australia
- Alphinity
- Antin Infrastructure Partners
- ANZ
- AQR Capital Management
- Archer Capital
- ARCHIMED
- Arrowstreet
- Ausbil Investment Management
- Baillie Gifford Overseas
- Bain Capital
- Barings
- Blackrock
- Blackstone ISG Investment Partners – R (BMU) L.P.
- Brookfield Asset Management
- Capital Dynamics
- Capstone Investment Advisors
- Cerberus Capital Management
- Challenger
- Charlesbank Capital Partners
- Charter Hall
- Citigroup Global Markets Australia
- Columbia Capital
- Copenhagen Infrastructure Partners
- Dexus
- EG Funds Management
- EQT
- FIL Investments Management Australia Limited
- First Sentier Investors
- GLG MAN
- GPT Group
- GQG Partners
- Greencape Capital Aus Equities
- HarbourVest
- Harris Associates
- Heitman
- Hyperion Asset Management
- IFM Investors
- Igneo Infrastructure Partners
- Impax Asset Management
- Infrastructure Capital Group
- Invesco
- ISPT
- KKR Global Infrastructure Investors
- L1 Capital
- LGT Capital Partners
- Macquarie Group
- Maxcap
- Mesirow Financial
- Mondrian Investment Partners
- Morrison
- Neuberger Berman
- Next Capital Fund
- Oaktree Capital Management
- Paradice Investment Management
- Perpetual Investment Management
- Pomona Australia
- Potentia Capital
- QIC
- Resolution Capital
- ROC Private Equity
- RQI Investors
- Sculptor Capital Management
- Siguler Guff & Company
- Stafford Capital Partners
- Stepstone
- Stonepeak Tiger Investment
- The Growth Fund
- Top Tier Infrastructure
- TPG Opportunities Partners II
- UBS
- VenCap International
- Wellington Management Company
- Westbourne Capital
- Yarra Capital Management

Other key service providers

- Australian Administration Services Pty Limited - Administration
- Ernst & Young - External auditing
- FNZ (Australia)Pty Limited - CSM platform implementation
- Frontier Investment Consulting Pty Ltd - Investment Advisor
- Industry Fund Services Limited - Arrears collection
- Industry Funds Investments Limited - Eligible rollover fund services
- JP Morgan Chase Bank NA (Sydney Branch) - Master custodian
- Pacific Custodians Pty Limited - Custodian
- PricewaterhouseCoopers - Internal auditing
- TAL Life Limited - Group life insurance for Cbus Fund
- Westpac Banking Corporation - Online employer superannuation contribution processing service (Clearing house).

For further information about our key service providers go to:

cbussuper.com.au/about-us/key-service-providers

Cbus Members

For more information:
Phone our Service Centre on
1300 361 784 from 8.00am to
8.00pm Monday to Friday (AEST/AEDT)

Write to:
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Parramatta, NSW 2124

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Thank you
Cbus wishes to thank our many members, employers, families and staff who kindly allowed their photos to be included in this annual report.

We welcome your thoughts
As always, we value your feedback and invite you to send any comments or queries about this report to:
annualreport@cbussuper.com.au

You can also review this report online:
cbussuper.com.au/annualreport



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