cbus super



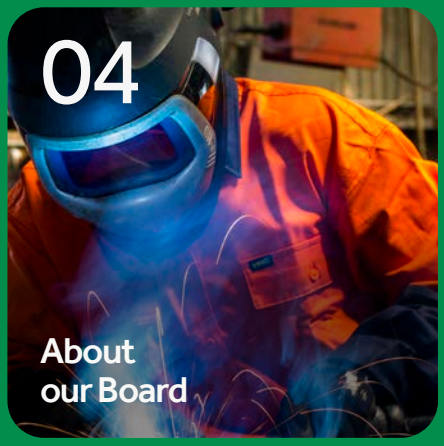
Growing the future

Governance Supplement 2022

Contents

Governance Supplement 2022

















Important information
This Cbus Annual Integrated Report including Supplements is issued by United Super Pty Ltd ABN 46 006 261 623 AFSL 233792 as trustee for the Construction and Building Unions Superannuation Fund (Cbus Super) ABN 75 493 363 262 offering Cbus and Media Super products. 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 refer page 79 for details. Please phone 1300 361 784 or visit cbussuper.com.au for a copy. 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 subsidiary of United Super Pty Ltd, and is responsible for the development and management of Cbus' direct property investments. Insurance is issued under a group policy with our insurer, TAL Life Limited ABN 70 050 109 450 AFSL 237848.

Online supplements

We have provided more detailed information about Cbus and our investments in our online supplements. This report and the supplements meet the core requirements of the Global Reporting Initiative's Sustainability Reporting Standards (GRI Standards). Our Responsible Investment Supplement reports in accordance with the Task Force on Climate-Related Financial Dislosure (TCFD) recommendations.

Responsible Investment

Provides information about our approach to responsible investment, including our active involvement in **Environmental, Social and Governance (ESG)** issues, contributing to sustainable development and transitioning to a climate resilient economy. Prepared using the **GRI Standards and TCFD recommendations.**

cbussuper.com.au/cs/responsible-investment-2022

Cbus Property Sustainability Report

Provides information on Cbus Property's approach to sustainability performance.

cbusproperty.com.au/sustainability-strategy

Annual Financial Statements

Sets out the financial statements for our regulators and other stakeholders. Prepared in line with the **Australian Accounting Standards; Superannuation Industry (Supervision) Act 1993 and Superannuation Industry (Supervision) Regulations 1994, the Corporations Act 2011 and Corporations Regulations 2011.**

cbussuper.com.au/cs/annual-financial-statements-2022

Stakeholder Engagement and Materiality

Provides detail on our approach to engagement and how we determine what matters most to Cbus stakeholders. The result of this engagement informs our value creation and assists in identifying Cbus' material issues. Prepared using the **GRI Standards** and in line with the **International Integrated Reporting <IR> Framework**.

cbussuper.com.au/cs/engagement-materiality-2022

Governance

Provides additional information about the governance framework at Cbus and Cbus Property. Prepared using the **GRI Standards**.

cbussuper.com.au/cs/governance-framework-2022

GRI Standards Content Index

Provides the location of information linked to the **GRI Standards** within the Annual Integrated Report, Cbus Property Sustainability Report, supplements and the Cbus website.

cbussuper.com.au/cs/gri-standards-2022

Online Supplements

Our reports address the needs of our diverse stakeholders. The information we have provided reflects our commitment to operating with integrity and transparency. You can access the reports on our website.

cbussuper.com.au/aboutus/annualreport

KPMG

KPMG were engaged to provide limited assurance over the Cbus Annual Integrated Report pages 3 to 70 in accordance with the **International Integrated Reporting <IR> Framework**. The assurance report is presented on pages 76 to 77.

Our Board

The Board of the Trustee is ultimately responsible for the sound and prudent management of the Trustee's business operations.

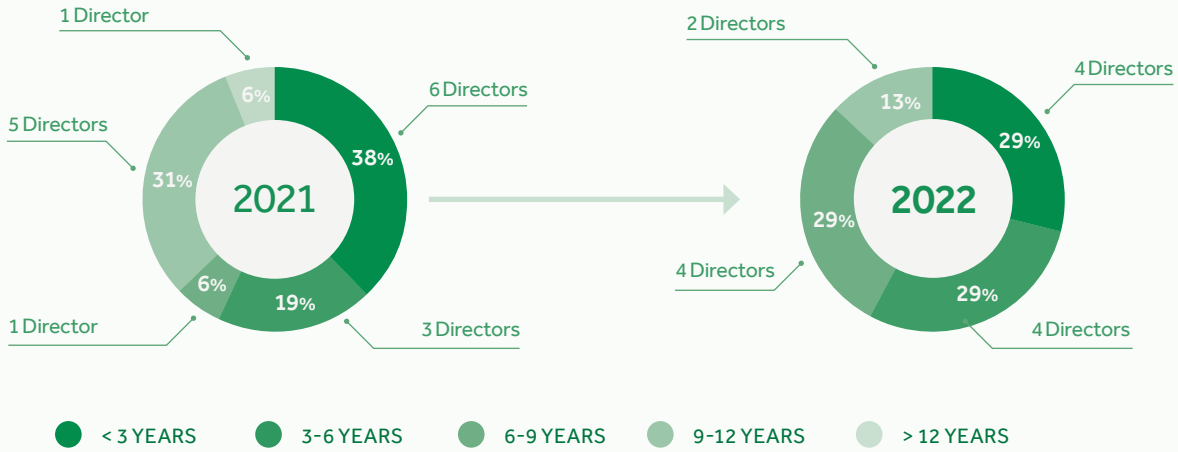
The Directors of the Board are appointed from Member and Employer associations and supported by two Independent Directors.

The current composition of the Cbus Board is as follows:	Wayne Swan	Chair of the Board, Chair of the Growth Committee and Independent Director
	Denita Wawn	Deputy Chair and Employer Director
	Stephen Dunne	Chair of the Investment Committee and Employer Director
	Michelle Beveridge	Chair of the Audit and Finance Committee and Employer Director
	Rita Mallia	Chair of the Member and Employer Services Committee and Member Director
	Michael (Misha) Zelinsky	Chair of the People, Culture and Remuneration Committee and Member Director
	John Edwards	Chair of the Risk Committee and Independent Director
	Jason O'Mara	Member Director
	Anne Donnellan	Member Director
	Frank O'Grady	Member Director
	Earl Setches	Member Director
	Anne Milner	Employer Director
	Ray Sputore	Employer Director
	Hedley Davis	Employer Director

The following Directors retired from the Board in the last financial year:	Steve Bracks	Chair of the Board, Chair of the Growth Committee and Independent Director (retired 31 December 2021)
	Dave Noonan	Deputy Chair, Chair of the Risk Committee and Member Director (retired 31 December 2021)
	Kara Keys	Chair of the People, Culture and Remuneration Committee and Member Director (retired 31 August 2021)
	Anthony McDonald	Chair of the Audit and Finance Committee and Employer Director (retired 16 December 2021)
	Scott Beynon	Employer Director (retired 31 August 2021)

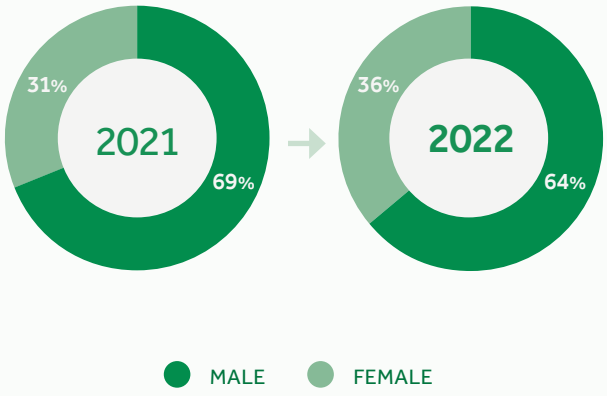
Cbus' Directors bring various capabilities and career experience, technical specialties and formal education. The Directors are of different gender, age, geographic representation and this is illustrated in the tables below.

Tenure %

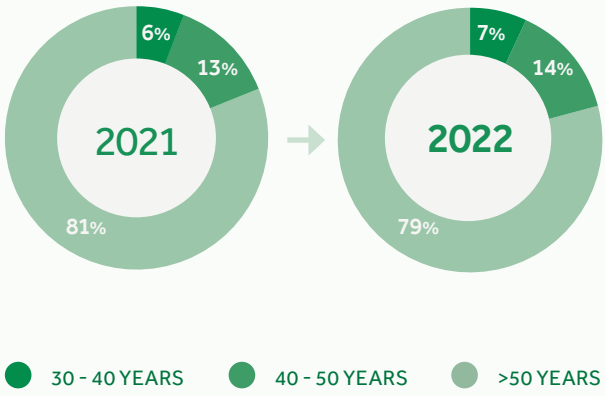


*In the beginning of the financial year 2022, Cbus' Board was comprised of sixteen Directors and reduced to fourteen Directors on 1 September 2021. These numbers are based on the Board composition from 1 September 2021.

Gender



Age



Experience and skills of Board Members

Upon appointment, each Director participates in a detailed induction program which involves training and development designed to ensure they meet the specific skills set by the Fund which include but are not limited to:

- Trustee obligations and duties
- Investments
- Strategy and Growth
- Risk
- Finance
- Governance
- Operations
- People and Culture
- Technology and Project Delivery
- Insurance
- Overview of Cbus Property
- Overview of Board Committees

Directors attend induction briefings with the Group Executives and key members of Management to gain insights into the Fund's structure and operations. Each Director is provided with a formal induction schedule as well as access to information, policies, licences, other key Fund documents and training programs.

Board and Committee Skills

The Board has collectively identified the series of skills required on the Board to ensure it can effectively set and execute the Trustee's strategy. These skills have been captured in our Skills Matrix and the results of the Directors self-assessment is below.

Skills with this symbol [—] prefixing it are required only at a Committee level. These skills are more technical and are required to ensure the Committee can effectively discharge its delegated duties from the Board. All other skills are required at the Board level. The boxes that are shaded in grey indicate that those skills are not relevant for that particular Committee.

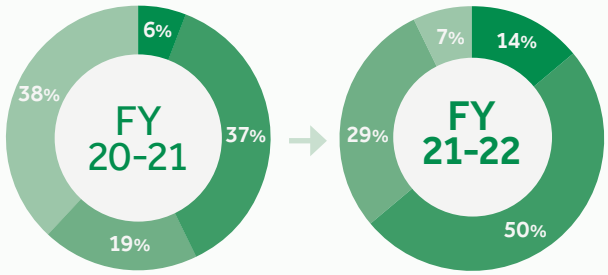
The Directors are required to assess their skills against the Skills Matrix upon appointment and annually as part of the Fit and Proper process. The Skills Matrix is reviewed annually by the Board to ensure the skills remain relevant.

The current Board and Committee Skills Matrix can be found here:

cbussuper.com.au/content/dam/cbus/files/governance/board-executive/Cbus-Board-Committee-Skills-Matrix.pdf

Training

The average continuing professional development (CPD) hours for Cbus Directors was 50 hours in FY20/21 and 40 hours in FY21/22. The FY21/22 CPD hours average dropped due to several new Directors commencing halfway through the financial year.



Meeting attendance

FY 20-21 Board Attendance	Board	Audit and Risk Management Committee	Investment	Member and Employer Services Committee	People, Culture and Remuneration Committee	Nominations	Growth Committee	Audit and Finance Committee	Risk Committee
Total meetings	7	4	11	5	4	2	4	2	2
Meetings attended	99%	100%	95%	97%	85%	100%	86%	83%	100%
Apologies	1%	0%	5%	3%	5%	0%	14%	17%	0%

FY 21-22 Board Attendance	Board	Investment	Member and Employer Services Committee	People, Culture and Remuneration Committee	Nominations	Growth Committee	Audit and Finance Committee	Risk Committee
Total meetings	7	11	2	5	2	3	5	5
Meetings attended	97%	95%	100%	92%	100%	100%	100%	100%
Apologies	3%	5%	0%	8%	0%	0%	0%	0%

FY22 Compliance Report: AIST Governance Code

As a member of the Australian Institute of Superannuation Trustees (AIST), Cbus annually reports against the AIST's Governance Code. The Code is a principles-based framework which consists of 21 requirements, promoting continuous improvement in governance practice. It aims to protect and improve outcomes for members.

Cbus is pleased to highlight that its recent submissions have all been assessed as fully compliant by the AIST Governance Code Panel.

This report is located on our website at: cbussuper.com.au/cs/Compliance-Report-AIST-Governance-Code

Board and Committees

The Cbus Board is supported by six permanent standing Board Committees. Below is an overview of the focus areas of Board Committees over the last financial year.

Audit and Finance Committee

The role of the Audit and Finance Committee (AFC) is to assist the Board in meeting its statutory, fiduciary, governance and regulatory responsibilities, mainly through provision of a non-executive review of:

- the effectiveness of the Trustee's financial governance and reporting responsibilities;
- corporate governance, audit, tax and other commercial matters; and
- enterprise performance, including the delivery of best financial outcomes for members.

This review supports the achievement of the Trustee's strategic objectives, consistent with its Risk and the Risk Management Framework.

In the last financial year, the AFC's focus included the following areas of support:

- the Fund's FY23 Budget and Enterprise Performance Scorecard, including the implications of these on Fund's reserves and pricing
- the Fund's Member Outcomes Framework, including its FY21 Member Outcomes Assessment and FY21 Business Performance Review
- the Fund's Annual Financial Statements and Risk Management Declaration
- the appointment of a new Internal auditor and new Tax Compliance Services supplier
- tax Risk Management and the ATO's Next Actions Risk Review
- development of the Trustee Capital Adequacy and Trustee Fee Policy
- administration Fee Changes
- updates to the Fund's Financial Delegations

Risk Committee

The overall role of the Risk Committee (RC) is to assist the Board by providing an objective non-executive review and oversight of the effectiveness of the Trustee's Risk Management Framework and advise the Board on the Trustee's current and future Risk Appetite, Risk Culture and Risk Management Strategy.

In the last financial year, the RC focused on:

- advising the Board on the Trustee's risk appetite, risk culture and Risk Management Strategy
- conducting deep dives into the Fund's material risks
- elevating the Board's focus on Technology risk and cyber security
- monitoring the risks associated with the Media Super merger
- considering the risks and opportunities for the Fund arising from the external environment
- regulatory change and engagement
- overseeing the Fraud Management and Anti- Money Laundering/ Counter Terrorism Financing (AML/CTF) Program
- the uplift of a suite of Risk and Compliance Policies
- the development of an Operational Risk Management Strategy

People, Culture & Remuneration Committee (PCRC)

The overall role of the People, Culture and Remuneration Committee is to assist the Board in the oversight of the Fund's organisational capabilities and implementation of its people management and remuneration frameworks.

The PCRC is also responsible for ensuring that the Fund's remuneration strategies align to support the achievement of strategic objectives of the Fund, consistent with its Risk Appetite and the Risk Management Framework, whilst also supporting Cbus' member-focused culture.

In the last financial year, the PCRC focused on the:

- review and endorsement of the Director, CEO and Executive remuneration
- review of the Variable Pay Program and Executive Remuneration
- renegotiation of the Enterprise Bargaining Agreements
- holistic review of the Director Fee Model
- review of the annual Listening to Cbus engagement survey results
- organisational people metrics
- uplift of the Code of Conduct

Member and Employer Services Committee

The overall role of the Member and Employer Services Committee (MESC) is to assist the Board in the oversight and implementation by the Fund of material strategies and key operational matters and systems relevant to the delivery of member products, services and benefits as well as the support of employer channels. As part of this, MESC continually considers the Fund's service and experience strategy and design to ensure an improved experience for our members and employers.

In the last financial year, the MESC focused on:

- the Fund's Retirement Strategy
- the Fund's Brand Refresh
- an updated strategic MESC Dashboard which includes reporting against performance metrics aligned to the Fund's Business Plan and Strategy
- Strategic Partnership Governance engagement with Link, the Fund's administrator
- the impacts of regulatory change including the Your Future Your Super requirements
- the Fund's Industry partnership program, which now considers Media Super's partnerships
- Insurance Premium Reviews
- Media Super's Insurance Proposals and Policies

Nominations Committee

The primary role of the Nominations Committee is to provide recommendations to the Trustee Board regarding all Director appointments and Committee membership based on the individual's skills and experience and skill requirements of the Board.

Investment Committee

The overall role of the Investment Committee (IC) is to assist the Board in its implementation of the Fund's Investment Governance Framework, including developing, selecting, managing and monitoring the Fund's investments and investment strategies.

In the last financial year, the IC focused on:

- oversight of the investment portfolio including regular reviews of the asset class strategies, and considering and approving changes to the Strategic Asset Allocations of the Fund's different investment options
- oversight of the investment activity involved in Fund mergers to ensure they are implementing efficiently with appropriate risk management controls
- providing guidance and direction on the next 5-year strategy for the investment function
- continuing to evolve the Fund's Responsible Investment approach (particularly, the continuation of the work to manage climate change risk)
- reviews of investment risk, including investment risk appetite, liquidity, operational risk, interest rate
- risk and reviews of investment policies
- oversight of the resourcing and culture in the investment team

Growth Committee

The role of the Growth Committee was to assist the Board to achieve the Trustee's organic and inorganic growth objectives and ensure it aligns to support the achievement of the strategic objectives, consistent with its Risk Appetite and the Risk Management Framework.

In the last financial year, the Growth Committee focused on:

- continuing to develop the Growth Strategy for the Fund
- oversighting and monitoring the merger landscape including large-scale growth opportunities
- reviewing the Fund's Merger Principles and Guidelines
- ensuring the alignment of overall growth objectives with the broader strategic plans of the Fund
- ongoing focus on member best interests including ensuring growth activities meet the objective of maximising member outcomes

In the last financial year, the Board approved the establishment of the Media Super – Joint Advisory Committee (JAC). The purpose of the Media Super JAC is to assist and advise the Member and Employer Services Committee (and the Board as appropriate) in its understanding and assessment of issues and risks of particular significance or concern for members of the Media Super division of the Fund.

Governance at Cbus Property

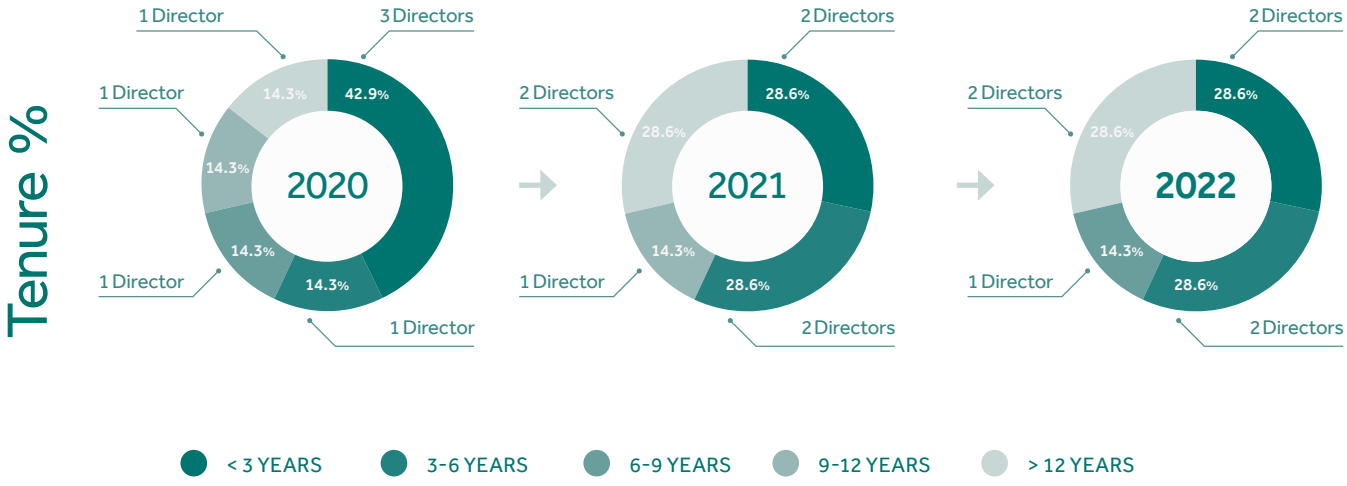
Cbus Property is wholly owned by Cbus. It manages the Fund's direct property portfolio, creating strong returns and jobs and developing sustainably built and managed buildings.

Refer to the table below for information about the Cbus Property Board:

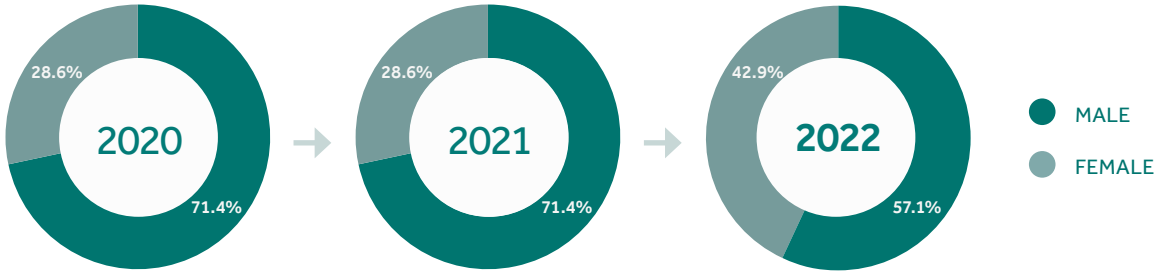
Georgina Lynch	Chair of Board and Independent Director
Simon Shakesheff	Independent Director
Susan MacDonald	Chair of Remuneration Committee, Independent Director
Michelle Beveridge	Chair of Audit Committee, Employer Director
Steve Bracks AC	Member Director
Dave Noonan	Member Director
Hedley Davis	Employer Director

Cbus Property Directors are selected and appointed by Cbus. Directors bring various capabilities and career experience, including property industry experience, technical specialties and formal education.

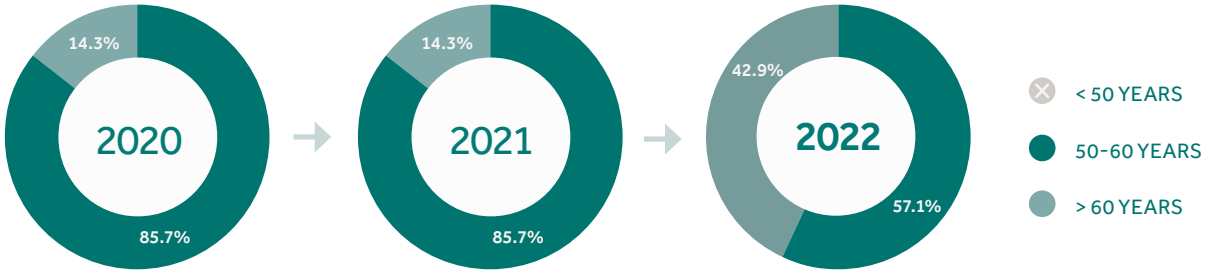
Cbus Property Board diversity metrics are set out below:



Gender



Age



Experience and skills of Board members

Upon appointment, each Director participates in a detailed induction program, involving meetings with the Executive Team.

The program includes:

- Overview of Cbus Property, Structure and Strategy
- People Management Strategy
- Governance, Risk and Compliance
- Commercial, Treasury, Finance and Audit
- Investments
- Sustainability
- Developments

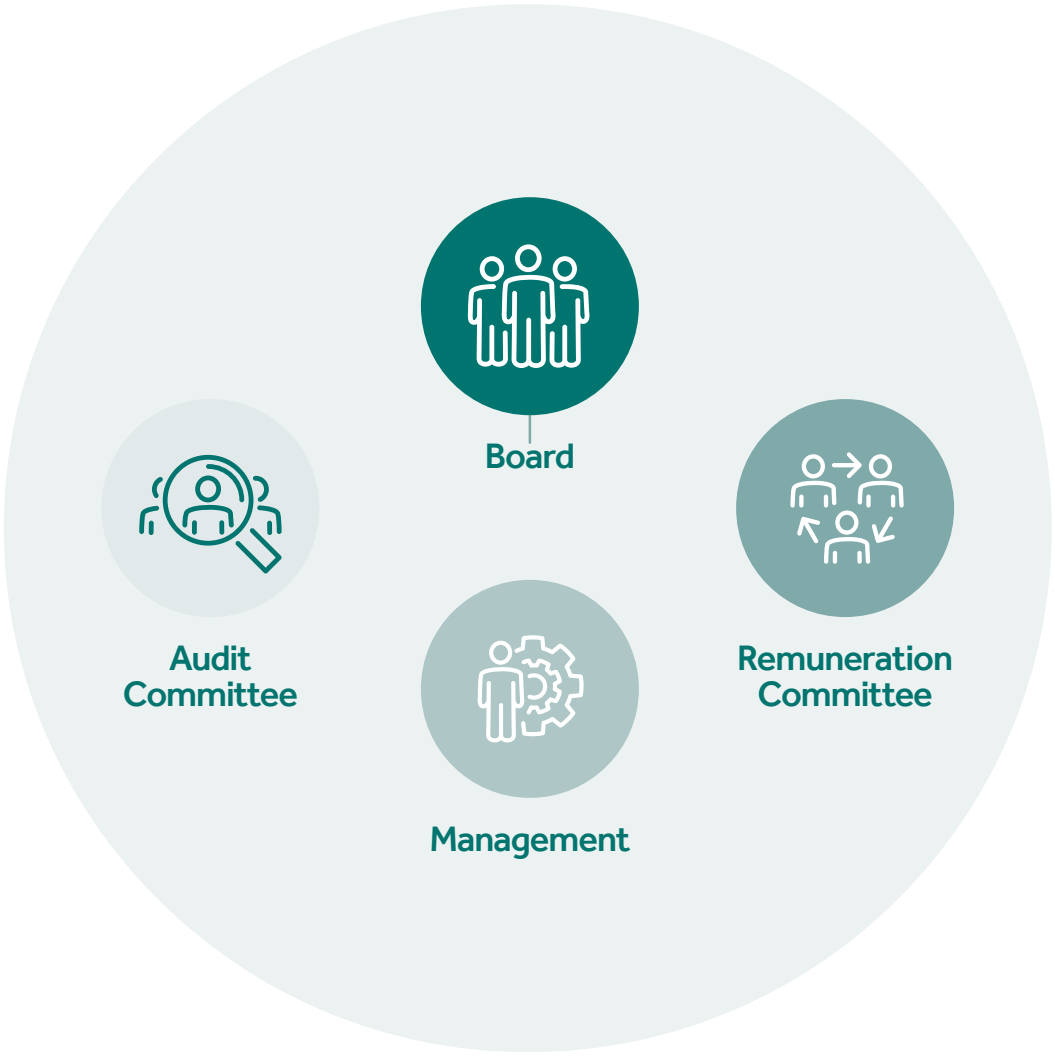
Directors are provided with access to information, policies and other key documents, including the Investment Management Agreement with Cbus. On an ongoing basis throughout the year, Directors visit the various corporate offices and a number of investment properties and development sites to continue to develop their understanding of the company's operations and direct property investment activities.

Meeting attendance	FY 2020	FY 2021	FY 2022
Total meetings	11	11	12
Meetings attended	97%	100%	99%
Apologies	3%	0%	1%

Further details on the Cbus Property Board and those of the Executive Team are on the Cbus Property website:

www.cbusproperty.com.au/about/our-team

Cbus Property Governance structure:



The Cbus Property Board is responsible for the governance, risk management, financial and strategic performance of Cbus Property. In discharging these responsibilities, the Board receives regular briefings from management and external advisers. Where appropriate, it will delegate matters to Board committees and management within defined and documented parameters. Cbus Property directors and management undertake an annual business planning and strategy review process.

Cbus Property Audit Committee

The role of the Cbus Property Audit Committee is to provide assistance to the Cbus Property Board in fulfilling its governance and oversight responsibilities in relation to Cbus Property's financial reporting. The Committee comprises three directors (two independent directors and one other director).

The Audit Committee meets at least once annually to consider the annual reports of the company and the Owner Entities managed by the company. The Audit Committee also receives reporting from the external and internal auditors and considers their effectiveness.

Cbus Property Remuneration Committee

The role of the Cbus Property Remuneration Committee is to assist the Cbus Property Board in its oversight of Cbus Property remuneration policies and strategy. The Committee's role assists in ensuring that remuneration is fair and responsible; reflects the needs of stakeholders; and is equitable and consistent with the principles of good corporate governance. The Committee comprises three directors (two independent directors and one other director). Amongst other matters, the Committee undertakes a review of the setting of remuneration (Total Salary Package), the Short-Term Incentive (STI) Plan, and similar matters for all employees of the company.



Corporate Values

Cbus Property's corporate values are the essence of the company's identity and support its aspirations and purpose. The organisational values assist employees in decision-making and drive a positive way of working.



Ethics & Conduct

Conducting business with honesty and integrity must define the operations of Cbus Property. The Company Code of Conduct includes a Code of Ethics outlining a broad framework to help guide conduct and behaviour in the performance of duties and interactions in the workplace.



Conflicts of Interest

The Cbus Property Board is responsible for setting, upholding and monitoring the conflicts management culture, including by ensuring that Cbus Property has a Board-approved Conflicts Management Policy in place as one part of a Conflicts Management Framework. The Framework is the totality of systems, structures, policies, processes and controls within Cbus Property that identify, assess, mitigate, manage and monitor all conflicts. Director and Chief Executive Officer interests are reported to Cbus and recorded in the Cbus Register of Relevant Interest and Duties.



Risk Management

Cbus Property's approach to managing ethical behaviour is governed by its Risk Management Framework (including a Risk Appetite Statement) and a comprehensive range of governance policies, including a Code of Conduct. Regular oversight is maintained by management and the Board, with the assistance of both internal and external auditors. Cbus Property policies, including the Risk Management Framework, are scheduled for review by the Board every two years and by management annually. Cbus Property has mechanisms in place for reporting of concerns, including an independent external whistleblower service.

The Risk Management Framework covers economic, environmental and social risks. The responsibilities of the Cbus Property management team include economic, environmental and social factors. The management team includes the Chief Executive Officer, who reports directly to the Cbus Property Board.

Employees with specific sustainability governance responsibilities include the Manager, Sustainability & ESG, who reports to the Head of Investment Management, and the Executive General Manager, Governance & Risk, who reports to the Chief Executive Officer. The Sustainability Committee is chaired by the Chief Investment Officer and meets on a quarterly basis to progress the Sustainability Strategy.

Cbus Property Remuneration Policies

Cbus Property employees are not covered by Collective Bargaining Agreements. The Cbus Property Remuneration Committee assists the Cbus Property Board in developing, maintaining and implementing remuneration policies and strategy. The Committee, among other responsibilities, assists to ensure that all employee remuneration reflects the needs of stakeholders and is equitable and consistent with the general pay environment and the principles of good corporate governance.

STI Plan

Cbus Property's Employment Policy and Short-Term Incentive (STI) Plan apply to all eligible Cbus Property employees, including those employed on a part-time basis.

The Cbus Property Board approves the STI Plan based on the recommendations from Cbus Property's Remuneration Committee. The process is endorsed by the Cbus People, Culture and Remuneration Committee and approved by the Cbus Board. The annual compensation ratio for Cbus Property's highest paid individual to the median annual total compensation of all Cbus Property employees (excluding the highest paid individual) was 1:1.44 at 30 June 2022.

For more information about Cbus and Cbus Property remuneration data, please refer to page 22.

Diversity and Inclusion

Cbus Property is committed to Diversity and Inclusion as a central part of how we work, building an inclusive culture that values diversity of lived experience, background and thinking. In accordance with our values, we endeavour to always treat people with professionalism, respect different ways of working and maintain a workplace that is inclusive and free from discrimination and harassment. A flexible working framework is in place. For progress against our Diversity Targets, please refer to page 22.

Work/Occupational Health and Safety

Cbus Property recognises that due to the nature of construction work, Work/Occupational Health and Safety (WHS) risk is material in the industry.

WHS information for workers (who are not Cbus Property employees) on Cbus Property developments is summarised below:

Workers on Cbus Property Developments (not employees)	FY 2020	FY 2021	FY 2022
Fatalities	0	0	0
Total hours worked	3,529,407	2,113,083	1,610,331
Total lost time injuries	6	1	3
Lost time injury conversion (per 1,000,000 hours)	6,000,000	1,000,000	3,000,000
Lost time injury rate (based on per 1,000,000 hours)	1.70	0.47	1.86
Near misses	9	7	8
First aid injuries	186	98	117
Medical treatments injuries	29	17	22

Cbus Property's approach to preventing or mitigating WHS risks:

Cbus Property is committed to ensuring that the health and safety of workers, including employees and contractors, and others, including partners, tenants, purchasers of residential properties and the general public, are not put at risk from its business activities. Furthermore, Cbus Property strives to exceed the minimum legislative standards for each jurisdiction in which it operates.

Cbus Property's goal is to eliminate, or if that is not reasonably practicable, minimise the incidence of injury and ill health, promote safe work environments, and ensure that WHS is proactively managed throughout the organisation.

The organisation's WHS governance structure is established via the WHS Policy and WHS Handbook, which assist all employees to be aware of the applicable safety standards in the workplace, and ensure they are able to identify and adhere to the relevant procedures to maintain a safe working environment.

Accordingly, it is expected that Cbus Property employees accept their responsibility to work safely, by working intelligently, with common sense and with foresight. All employees are expected to follow the applicable safety standards, which apply to our organisation, and adhere to all regulations as set out in WHS legislation.

Cbus Property's WHS governance structure includes, but is not limited to, the following elements:

- incident reporting
- review and assessment of agent and contractor WHS practices, including adherence to the Contract, relevant WHS legislation, thea Principal Contractor's WHS Management System and Project Site Safety Management Plan, where applicable
- receiving regular WHS performance reporting from agents and contractors (e.g. Project Control Group (PCG) meetings and for monthly safety meetings)
- company reviews of property and processes
- receiving external advice
- undertaking workplace inspections to identify hazards, risks and the effectiveness of risk controls (independent safety audits)
- holding regular WHS Committee meetings
- workplace consultation
- various management reports regarding the day-to-day management of WHS (e.g. risk reports and monitoring of lead and lag indicators)

Other governance disclosures

A full list of Cbus' key service providers is available here:

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

Changes to the supply chain over the FY22 financial year included the appointment and termination of the following investment managers:

Investment Managers appointed in FY22

MANAGER	ASSET CLASS
Greencape	Australian Equities
Blackrock Australian and Global Fixed Income	Fixed Income
Realindex Mid and Small Cap	Australian Equities
Blackrock Index Fund AFI	Indexed Diversified MIC
Blackrock Index Fund GFI	Indexed Diversified MIC
Blackrock Index Fund GEQ	Indexed Diversified MIC
IFM Index Diversified AEQ Account	Indexed Diversified MIC
Cbus Index Diversified Cash Account	Indexed Diversified MIC
CBUS ENHANCED INCOME CASH	Enhanced Income
Jandakot (appointed Jan 22. Not funded as yet)	Property
Brookfield Envoy	Private Equity
Top Tier (appointed Feb 22. Not funded as yet)	Infrastructure
First Sentier Investors (Australia) Ltd	Enhanced Income
Brookfield Modulaire	Infrastructure
KKR Cavalry Co Invest	Infrastructure
ICG Energy Infra Trust	Infrastructure
Sig Guff Distressed Opp Fund 3	Alternative Growth
Sig Guff Media Opp Fund	Alternative Growth
Sculptor Credit Opp Fund	Alternative Growth
IFM Intl Private Eq Fund 2	Private Equity
The Growth Fund	Private Equity
Cerberus Levered Loan Opp Fd 2	Alternative Growth
Wilshire US Pvt Mkts Fund VI	Private Equity
Wilshire Euro Pvt Mkts Fund VI	Private Equity
BlackRock Co Investment Fd IV	Alternative Growth

Investment Managers appointed in FY22

Continued...

MANAGER	ASSET CLASS
ICE Focus EM IPE	Alternative Growth
Archer Capital Fund 5	Private Equity
Champ Ventures 7	Private Equity
EQT VI IPE	Private Equity
AMP Global Property Fund	Property
Aust Chamber Orch Instrument	Alternative Growth
EG Property Fund	Property
QIC Property Fund	Property
Barings Fund Feeder Trust	Global Credit
IFM Income Fund	Global Credit
Westbourne Yield Fund 6	Global Credit
Challenger IP Global Shares	Indexed Diversified MIC
Macquarie TI Aust Shares Fd	Indexed Diversified MIC
Macquarie TI Emerging Mkts Fd	EM Equity- CBEEAC
Macquarie TI Global Infra	Infrastructure
Acorn Capital Aust Small Cap	Australian Equities
Yarra Capital Aust Small Cap	Australian Equities
IFM Structured Credit Fund	Global Credit
IFM Asia Pac Debt AUD	Global Credit
INVESCO GTR PLUS	Alternative Growth
Star of the South	Infrastructure
Potentia Capital	Infrastructure

Investment Managers terminated in FY22

MANAGER	ASSET CLASS
Orbis	Global Equities
Realindex Global Value	Global Equities
IFM Transition cash	Cash
Paradice Large Cap	Australian Equities
Vanguard Australian and Global Fixed Income	Fixed Income
Realindex Small Caps	Australian Equities
Novaport Small Caps	Australian Equities
IFM Income Fund	Global Credit
IFM Structured Credit Fund	Global Credit
Challenger IP Global Shares	Indexed Diversified MIC
Macquarie TI Aust Shares Fd	Indexed Diversified MIC
Macquarie TI Emerging Mkts Fd	EM Equity- CBEEAC
Macquarie TI Global Infra	Infrastructure

^ For definitions of our asset classes please refer to our website at: cbussuper.com.au/super/my-investment-options/asset-classes

Procurement policy

Cbus recognises that we and companies in our supply chain should operate in the same manner as we expect of the companies in which we invest. As such, we seek to conduct business with suppliers that align with our approach to responsible procurement and investment. Over time, this will include consideration of suppliers that also positively contribute to society and economy through the SDGs.

Our Procurement Policy incorporates ESG due diligence requirements for suppliers. The Policy was developed in the 2018 financial year, and the requirements are applied for new contracts, and are being rolled out progressively to relevant existing contracts as they come up for renewal.

Social

Preference for local employment, diversity, human rights, fair and safe labour practices, reduction in the risk of modern slavery and commitment to reconciliation.

Environmental

Management of issues including climate change, water use, pollution, waste, land clearing and chemical use incorporating the whole of life economic cost.

Governance

Accountability and transparency of supply chain impacts, strong leadership of boards and senior management in accordance with governance guidelines such as those published by the Australian Council of Superannuation Investors.

ESG issues – our procurement focus

We published our first Modern Slavery Statement in FY20 and we have been continuing the work to reduce the risk of modern slavery in our supply chains through risk assessments and engagement with our suppliers.

Cbus Property supply chain

Cbus Property's suppliers include builders, architects, consultants and property managers. Different suppliers are contracted across Cbus Property's developments and investments. Their performance, delivery and management are subject to rigorous ongoing scrutiny.

For more information on Cbus Property's procurement practices and expectations, refer to the Charter of Selection and Conduct Criteria on the Cbus Property website.

There were no significant changes to Cbus Property's supply chain during the financial year.

People, Culture and Remuneration Data

Employee headcount

Employee headcount	FY 2019	FY 2020	FY 2021	FY 2022
Cbus total employees*	488	599	607	687
Cbus total new employees	183	192	144	191

*3 Headcount includes permanent and MTC employees

Turnover rate

Turnover rate	FY 2019	FY 2020	FY 2021	FY 2022
Cbus voluntary turnover rate	5.4%	4.3%	7.1%	14.50%
Industry voluntary turnover rate*	13.0%	12.0%	13.0%	14%
Cbus total turnover rate	8.8%	8.2%	13.9.2%	17%
Industry total turnover rate*	16.0%	17.0%	13	18%

* FIRG Policy and Practice Report

Annual compensation ratio

Annual compensation ratio	FY 2020	FY 2021	FY 2022
Cbus	1:6.34	1:6.23	1:6.83
Finance industry mean	1:10.1	1:10.6	1:11.9

The annual compensation ratio is the ratio for the highest paid individual to the median annual total compensation of employees (ex the highest paid individual).

* Cbus industry mean: (FIRG General Survey & Industry Leaders 50th Percentile)

Gender Equality

For detailed gender reporting, refer to the Workplace Gender Equity Agency (WGEA) reports located under further reading at our website at:

cbussuper.com.au/about-us/careers/working-at-cbus

Gender Diversity Targets by 30 June 2023

Fund Area	% Females
Cbus Board	40%
Investment team	40%
Executive Group	50%
Heads of	50%
Managers*	45%
Non-managers*	50%
All Staff	50%

Gender pay equity

Age	Ratio of salaries of women to men (excluding the CEO)		
	FY 2020	FY 2021	FY 2022
All women	1:1.17	1:1.148	1:1.124
Finance industry average - all women	1:1.24	1:1.27	1:1.27
Under 30	1:1.01	1:1.07	1:1.02
30-50	1:1.15	1:1.13	1:1.13
Over 50	1:1.15	1:1.13	1:1.09

Gender composition of Cbus employees and governing body, by position level

Gender Diversity	New Target	2022	2021	2020
Board	40%	36%	31%	31%
Executive team	50%	44%	44%	38%
Heads of	50%	52%	40%	40%
Managers*	45%	43%	N/A	N/A
Non managers*	50%	49%	N/A	N/A
All Staff (including above)	50%	48%	50%	49%
Investments Team	40%	36%	38%	39%

*New 2022 target, Actuals as at 30 June

Cbus Super Permanent and Maximum Term Employees by State

30 June 2022	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
Permanent	3	44	1	15	5	3	533	8
Maximum term contract	0	5	0	1	0	0	64	5

Cbus super headcount

During the year, we recruited 191 new employees bringing our total employees to 687 as of 30 June 2022.

Cbus super headcount	FY 2019		FY 2020		FY 2021		FY 2022	
	Males	Females	Males	Females	Males	Females	Males	Females
Permanent	226	200	265	245	272	256	313	299
Maximum term contract	249	20	24	38	39	50	45	30
Full time	220	155	258	195	302	245	305	244
Part time	6	45	7	50	7	53	8	55
Total employees	250	238	304	295	309	298	358	329

Permanent and Maximum term contract headcount figures refer to all staff employed on either a full-time or part-time basis. Full-time employee refers to all staff who are employed as full-time (i.e. 35 hours per week).

People, Culture and Remuneration Data (Cbus Property)

Gender Equality

For detailed gender reporting, refer to Cbus Property's Workplace Gender Equity Agency (WGEA) report located on its website at:

cbusproperty.com.au/

Gender Equality Targets

Area	% Females	
	Target	3 year Goal
Cbus Property Board	25%	30%
Executive	25%	40%
Senior Roles	25%	40%
All employees	25%	50%

Gender pay equity

Age	Ratio of salaries of women to men (excluding the CEO)		
	2020	2021	2022
All women	1:1.91	1:1.65	1:1.55

Gender composition of Cbus Property employees and governing body, by position level

Gender composition	Gender equity target	2020	2021	2022
Board	25%	29%	29%	42%
Executive Team	25%	29%	29%	29%
Senior Roles	25%	29%	29%	39%
All Employees	25%	41%	40%	40%

Reported incidents of discrimination

Year	2020	2021	2022
Cbus Property	0	0	0

Cbus Property does not support discrimination and does not have any incidents reported. We endeavour to ensure that people, including women, members of smaller racial groups and people with disabilities, get a fair share of the opportunities available.

Training

Cbus Property offers training to all employees. An annual allocation is set aside for each employee to use towards training and development. Training includes induction, compliance and policy awareness, external leadership courses, first aid, warden, white card and OHS certificate courses, mentoring and coaching, industry seminars and formal education.

Cbus Property employees (headcount)

Year	2020	2021	2022
Cbus Property total employees	47	53	67
Cbus Property total new employees	12	8	18

*Headcount includes contractors.

Cbus Property headcount and full-time employees

Headcount	FY 2020		FY 2021*		FY 2022	
	Males	Females	Males	Females	Males	Females
Full-time	27	15	31	19	36	26
Part-time	2	3	1	2	2	3
Total	**29**	**18**	**32**	**21**	**38**	**29**

Full-time employees	FY 2020		FY 2021*		FY 2022	
	Males	Females	Males	Females	Males	Females
Permanent	27	15	31	19	35	25
Contract	0	1	0	0	1	1
Total	**27**	**15**	**31**	**19**	**36**	**26**

Cbus Property turnover rate

At Cbus Property, two Board members departed and two were appointed during the 2022 financial year. There were two employee departures and 18 new employee hires.

Year	2020	2021	2022
Cbus Property total turnover rate (excluding directors)	11.80%	4.00%	6.7%

Cbus Property annual compensation ratio

Year	2020	2021	2022
Cbus Property	1:1.47	1:1.46	1:1.44

The annual compensation ratio is the ratio for the highest paid individual to the median annual base compensation of employees (excluding the highest paid individual).

Cbus Property parental leave

Gender		Female	Male
Cbus Property employees taking parental leave	FY22	0	0
	FY21	1	1
	FY20	1	2
Cbus Property employees returning from parental leave over financial year	FY22	0	0
	FY21	1	1
	FY20	1	1
Cbus Property employee percentage still employed post-return to work (after 12 months)	FY22	100%	100%
	FY21	100%	100%
	FY20	100%	100%

Changes to the Cbus trust deed during FY2022

During the year, changes to the Cbus Super Fund trust deed were approved by the board. The first and second tranches of changes related to the Media Super successor fund transfer (SFT) which occurred on 8 May 2022.

Under the laws governing SFTs, Cbus was required to confer on the transferring Media Super members rights that were equivalent to their rights, entitlements, and benefits under the Media Super Fund. To make sure this requirement was met, amongst other things, Cbus performed an assessment of the Cbus trust deed to ensure that the members of Media Super transferring to Cbus were conferred equivalent rights as members of Cbus.

The last changes to the trust deed implemented a new trustee fee in response to the regulatory changes introduced on 1 January 2022 which no longer permit a trustee to pay for certain costs, like trustee penalties, out of the assets of a super fund.

Changes to the Cbus trust deed during FY2022

Trust deed reference	Description of amendment
Clause 1.7	Unlike for-profit super funds, Cbus does not have access to separate funding of its own to meet certain costs such as any civil penalties. So, industry super funds had to develop an alternative method to cover these costs, so an industry fund trustee is not at risk of becoming insolvent. To address this, like other industry funds, Cbus had to change its Trust Deed to allow Cbus to take a trustee services fee (subject to certain restrictions) from the fund. The Supreme Court of New South Wales was asked by Cbus to consider the proposed changes to the trust deed and on 20 December 2021 the Court confirmed that the changes were appropriate. The amount and timing of the fee are both capped. The amount charged within two years cannot exceed 0.10% of the fund's net assets, and the fee cannot be charged at all if the trustee already holds an amount equal to more than 0.14% of the fund's net assets. The fee structure and amount are reviewed every four years.
Clause 5.5A	A new clause 5.5A was inserted to give Cbus a discretion to accept an existing binding death benefit nomination **(BDBN)** originally made to a different trustee. Because an SFT may cause an existing BDBN to lapse, if a Media Super member died soon after the SFT there was a risk they may die without a valid a binding nomination. Provided certain conditions are met, the amendment gives Cbus a discretionary power to accept and observe the terms of any valid BDBN (or other form of member instruction which might lapse when an SFT occurs) given to a different trustee by a member who has joined Cbus as a result of an SFT.
Clause 6B	A new clause 6B was inserted to preserve certain rules from Media Super in respect of the Transferring Members.
C Clause 7.2 – Definitions	The definition of 'Eligible Person' was amended to remove the restriction that a member must be aged 15 years of over. This amendment has been made to ensure that the Trustee can accept members that are under the age of 15 from Media Super. This change applies across the whole Fund, and it is now possible for any person, of any age, to join Cbus. New definitions were inserted for the purposes of clauses 6A and 6B.
Pension regulations	The Cbus Pension Regulations were amended to enable pensioners to nominate any 'Dependant' (as defined in the Cbus Trust Deed). This is consistent with the nominations that Media Super's trust deed permitted, as well as with superannuation law which permits a trustee to accept a nomination of any 'dependant' of a member as a reversionary beneficiary. This change to the Cbus trust deed applies across the whole Fund because the Trustee considered it was appropriate for all members to be able to make a nomination using this broader category. Previously, Cbus members could nominate their spouse as a reversionary beneficiary to receive the account-based pension upon their death, and the Trustee was required to give effect to the nomination if their spouse was living and still the member's spouse at that date.