

broadcast

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CEO Message

A message from our CEO Kristian Fok



Member statements on the way

Your employees will be receiving their annual statements this month and with Cbus Super celebrating its 40th anniversary this year, we are pleased to reflect on the strong long term investment outcomes we have generated for our members.

With an average annual return of 8.87% since inception in 1984 and 7.73% p.a. over the last 10 years, our Growth (MySuper) investment option remains ranked as one of the top performing super funds over the long-term*. This is the option that most members are invested in, delivering a healthy 8.35%* return for 2023/24 financial year.

Giving back to members

We work hard to provide members with the best value possible and our growth allows us to give back. From 28 September 2024, the weekly administration fee has been cut from \$1.50 to \$1[†], saving members \$26 a year and delivering more for retirement nest eggs.

We are also offering long-term members a loyalty rebate on future insurance premiums, a way of demonstrating we're in it for the long-term with our members. Further detail can be found on pages 4-5.

Many members seek financial advice from the Fund, and I am delighted to update you that our offerings are expanding to include some household-based advice which can include advice to the member's partner even if they are with another fund, in some instances. Visit our [website](#) to find out more.



Kristian Fok, CEO

Australia's leading specialist fund

Cbus has been recognised with three Chant West awards – **Best Fund: Member Services**, **Best Fund: Responsible Investments** and **Specialist Fund of the Year**,[‡] which we've won five years in a row.

Chant West has acknowledged our leading service for members in building and construction, with a large team of coordinators providing in-person services, the recovery of unpaid super and insurance tailored for hazardous work.

As I reflect on these awards and the Fund's 40-year history we are marking this year, I thank you and all the employers we have had the privilege to serve. Your diligence in supporting Cbus Super as a choice for your people, and then making sure contributions are paid into their accounts, gives them the best chance to secure the best possible outcomes in retirement.

Kristian Fok
CEO
Cbus Super



* As at 30 June 2024. The Growth (MySuper) investment option return 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.

[†] The previous \$1.50 weekly administration fee has been reduced to \$1.00 for all divisions of Cbus Super, including accumulation, Retirement Scheme defined benefit members, and account based pension members. This reduction will save members \$26 a year. The total administration fees consists of a weekly and percentage fee. The percentage fee is 0.19% of an account balance each year - up to a maximum of \$1,000 a year.

[‡] Zenith CW Pty Ltd ABN 20 639 121 403 AFSL 226872/AFS Rep No. 1280401 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/

Insurance is issued under a group policy with our insurer: TAL Life Limited ABN 70 050 109 450 AFSL 237848



Investment market update

from Brett Chatfield, Chief Investment Officer



Markets hit a rough patch but bounced back

Share markets experienced sharp falls in the first week of August, which appeared to be (in part) due to changing expectations around interest rates in the US and Japan. The good news is that broader investment markets have calmed somewhat, and mostly remain higher for the calendar year. Some volatility has persisted, however, with signs that markets remain sensitive.

US economy continues to grow modestly

While softening in certain US economic data is of some concern, other indicators suggest the US economy is continuing to hold up well. Easing inflation and a softening jobs market meant the US Federal Reserve cut rates by 50 basis points at its September meeting. With underlying inflation also easing in many advanced economies, other central banks have either already started or are considering cutting rates.

Meanwhile in the Australian economy...

Headline inflation rose in the June quarter, but – importantly – underlying inflation eased slightly. This brought some relief to markets, which had feared it might actually reaccelerate. Employment growth also remains robust, yet unemployment rose as more people are actively seeking work given the availability of jobs. This should help support ongoing economic growth and company earnings, while higher unemployment should also help contain inflation. If these trends continue, the next interest rate move from the Reserve Bank of Australia is most likely to be down.

Investment market outlook

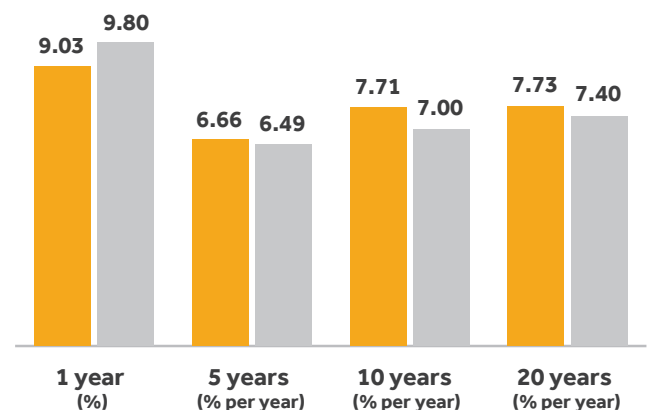
Overall, while data continues to show moderating inflation and positive growth across most economies, the recent market volatility demonstrates that the outlook remains uncertain and investment markets can be vulnerable to changes in data and expectations. Investment options that have exposure to shares and, therefore, share price movements can be unpredictable, especially in the short term.

Managing short term fluctuations

Super is a long-term investment, and our pre-mixed investment options are designed to withstand temporary shocks via diversification. Our aim is to ensure that if one asset class performs poorly, others will perform better. For example, asset classes such as Property and Infrastructure can help reduce the impact of short-term share market fluctuations. This is the power of diversification – helping to provide consistent overall performance.

Performance (%) to 31 August 2024

■ Growth (MySuper) option*
■ SuperRatings fund median†



* Performance is as at 31 August 2024. The return for the Growth (MySuper) investment option is based on the crediting rate, which is returns minus investment fees, taxes and until 31 January 2020, the percentage-based administration fee. Excludes fees and costs that are deducted directly from members' accounts. Past performance is not a reliable indicator of future performance.

† The median investment option return is taken from the SuperRatings FCRS SR50 Balanced (60-76) Index (August 2024). The default Growth (MySuper) investment option performance ranking was above the median return over 5, 10 and 20 years for the period ending 31 August 2024. SuperRatings is a ratings agency that collects information from super funds to enable performance comparisons – visit superratings.com.au. Past performance is not a reliable indicator of future performance.



Recognising members in our 40th year

We have good news for your employees who are Cbus Super members in our 40th anniversary year – most will soon benefit from initiatives including lower weekly administration fees and insurance premiums, and an insurance loyalty rebate for long-term members.

The benefits will help members keep more of their super invested.

All members will see their weekly administration fees cut by one third, down to just \$1 a week from the current \$1.50.



In a new initiative to boost our insurance offer for long-term members, eligible* Cbus Super members will see a rebate appearing in their account this month. The rebate is for members who took out insurance through their super 10 or more years ago and have held that insurance for any time.

Cbus Super holds one of the largest group insurance contracts in the world and we are proud to acknowledge longer serving members through an insurance loyalty rebate.

Together with these benefits, many members will also see their insurance premiums reduced.

"We're always seeking ways to give back and provide value to our members," Cbus Super's Chief Executive Officer Kristian Fok said.

"Our steady growth over 40 years means we've achieved a strong position which enables us to give back to our members in this way. These latest benefits will help our members improve their future retirement savings."

All the changes came into effect on 28 September 2024.

Weekly administration fee reduced

The weekly administration fee has been reduced to \$1 a week, from \$1.50 a week for all members. This will mean an extra \$26 a year for members, giving them more money towards their retirement savings.

Insurance Loyalty Rebate

The rebate will apply to eligible members* on future insurance premiums. It recognises members with death, total permanent and disablement (TPD) and/or income protection (IP) insurance through Cbus Super taken out 10 or more years ago, who have held that cover for any period of time, and who are currently insured.

The rebate the member will receive on future premiums will depend on how long ago their insurance cover started. The rebate will be:

- 2% of insurance premiums if a member's insurance cover was first activated 10-19 years ago
- 4% of insurance premiums if a member's insurance cover was first activated 20 plus years ago.

Eligible members don't need to do anything. The full insurance premium will be deducted from accounts, as usual, and a separate rebate will go back into the member's account. All eligible members can expect to see the rebate appear in their account by the end of October.

Insurance premium changes

Many members will also benefit from reduced premiums following the annual review with our insurer.

The changes enhance the tailored insurance Cbus Super offers designed to meet the hazardous working conditions many of our members face. Last year \$384 million was paid to members in insurance claims with 96.8 per cent of all claims were accepted, for the three years to 30 June 2024.

Most insured members will see decreased premiums, or no change for their death and TPD insurance cover. An increase is unavoidable for some members.

Premiums for IP cover will stay the same for most members.

For Sole Trader members in the manual occupation category with a 2-year benefit period and a 30-day waiting period, the cost of cover is dropping by 5 percent.

How it works

Pete pays \$936, or \$18 a week, for his annual death, total and permanent and disablement (TPD) and income protection (IP) insurance cover. After keeping his insurance with Cbus Super for:

10 years	Pete will receive a loyalty rebate of 2 per cent , or \$18.72 a year
20 years	Pete will receive a loyalty rebate of 4 per cent , or \$37.44 a year .

The rebate goes straight into his Cbus Super account, growing his retirement savings.

Coupled with the decrease in the weekly administration fee, Pete will see an extra \$44.72 in his account for the year. This is due to a \$26 decrease in administration fee plus \$18.72 loyalty rebate.†

* Eligibility:

- For members who joined Cbus Super from Media Super on April 9, 2022, we'll use the date they first joined Media Super to determine eligibility.
- For former EISS Super accumulation members who transferred to Cbus Super on 12 May 2023, we'll use the date they joined EISS Super to determine eligibility.

See cbussuper.com.au/super-value for details.

† This example is provided for illustration purposes only and is not intended to replace financial advice.

This information doesn't represent the benefit that you could receive or the fees and costs you may pay - the outcome will depend on your personal circumstances.

Insurance is issued under a group policy with our insurer, TAL Life Limited ABN 70 050 109 450 AFSL 237848





Keeping you informed

Giving your employees financial confidence

Getting closer to retirement can affect everyone in different ways.

For some people it's a relief that they can finish work and have a rest. For others, it's excitement and anticipation of the future ahead of them doing what they want.

But another group may feel nervous or worried as they're not sure what's ahead and are concerned they won't have enough money.

As an employer you may have come across the full range of situations. But you can help.

We're committed to supporting our members through their working lives and as they plan for their retirement and then move into the next phase.

Helping your employees develop the financial literacy they need to confidently plan their retirement is a great gift you can give. It can be a way to complement the wellbeing benefits you provide for your people.

Developing financial literacy

We can deliver financial literacy sessions to your employees to help them build money management skills so they can make informed decisions.

Many people start focussing on their finances as the years, or months, to retirement start counting down but financial literacy is vital at every stage of life.



Our financial literacy sessions cover:

How informed decisions can build financial security and stability

Life's financial stages

How to make a budget and set short and long-term savings goals

Understanding debt, home loan and credit scores

Salary sacrificing

Scam awareness.

The sessions can be provided in different ways depending on the size of your workplace, either in person or online.

If you have 20 or more employees wishing to attend, in-person sessions can be arranged at your workplace. Email employerrelationships@cbussuper.com.au to discuss.

The sessions won't cost you, or your employees, anything, and they don't have to be Cbus Super members to come along.



Or your employees can register to attend a webinar at cbussuper.com.au/seminars

Your employees might also find our online videos helpful.

cbussuper.com.au/tools-resources/know-how-hq

They're designed for members to watch when it suits them. The simple videos cover a range of topics including:



Transition to retirement



Super Income Streams



The age pension



Advice services

Contact us



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



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Log in to Employer Online and chat to us online



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

This information is general in nature. It doesn't account for your specific needs. Please look at your objectives and business requirements and seek financial advice before making financial decisions. Read the Employer Handbook, Cbus Industry Super Product Disclosure Statement (PDS) and Target Market Determination to decide what's right for you. Call **1300 361 784** or visit cbussuper.com.au for a copy.

United Super Pty Ltd ABN 46 006 261 623 AFSL 233792 as Trustee for the Construction and Building Unions Superannuation Fund ABN 75 493 363 262 (Cbus and/or Cbus Super)

