

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

CBUS

CBUS25QW: In the context of building investments:

- a) Have you completed assessments of the prevalence of flammable cladding across some properties?**
- b) Have you completed assessments of the prevalence of flammable cladding across all properties?**
- c) Have you taken any remediation to reduce your exposure to risk to identify flammable cladding, and if so, what?**
- d) Have you taken any remediation to reduce your exposure to risk to remove flammable cladding, and if so, what?**
- e) Do you hold any properties where insurance has been refused or are uninsured due to defective building construction such as cladding?**

Answer:

Cbus initially engaged with its managers on this issue in 2017. They have all since completed assessments across all their portfolios. Where rectification work has been identified it has been completed or remediation strategies and risk management plans are in place. All properties in Cbus' property portfolios are insured.

Cbus is satisfied that its managers are proactively managing the risks associated with combustible cladding and construction. Cbus notes that this is an emerging risk area for the industry and that new legislative requirements are being proposed to address this issue by state and federal governments. Cbus will monitor these changes and continue to engage with its managers to ensure they are acting consistently with regulatory and community expectations.