Senate Economics References Committee

Inquiry into Improving consumer experiences, choice, and outcomes in Australia's retirement system

Response to correspondence dated 25 March 2025

Cbus Super acknowledges the committee's request and considers that the information that we have already provided addresses the matters raised.

To assist the committee, we have provided the relevant responses in the table below. We will continue to assess whether there is any additional information that would further inform the committee in its inquiry.

The Hon Mr Wayne Swan
Chair of Board and Independent Director
Cbus Super

27 March 2025

Question on notice	Answer
General Business Practices 8. Can you provide a copy of the Cbus risk register from 2022 through until today?	A response to this question was provided on 19 February 2025: Cbus Super performs risk assessments to identify, assess and manage material risks that could significantly impact the business and therefore members, if not managed appropriately. The Fund's risk register contains sensitive and confidential information concerning material risks identified by Cbus Super. Disclosing the risk register publicly would not align with APRA's prudential standards, including because disclosing information on the management of certain risks would be counter-productive to the risk management objective. Disclosing the information contained in the risk register would also expose the Fund and its members to a real risk of serious harm. For example, it may enable bad actors to exploit identified operational or other risks for unlawful purposes such as cybercrime, scams and other fraud. Lastly, if risk assessments related to the Fund's investment strategies or operational planning were made public, it could disadvantage Cbus Super in competitive markets, potentially impacting the Fund's ability to deliver strong, sustainable returns for members.
General Business Practices 7. As Chair of Cbus, have you personally received any complimentary benefits?	No.
Partnerships 16. Please provide a list of the current (including suspended) partnership agreements Cbus has signed with a third party. Please	A response to this question was provided on 19 February 2025: Cbus Super is committed to ensuring that all partnerships and expenditure decisions are made in the best financial interests of our members. In 2024, Cbus Super appointed Deloitte to conduct an Independent Review into the fitness

Question on notice	Answer
provide the date on which the board approved the partnership agreement, the date it was signed, the date a Best Financial Interest test assessment was conducted, and the purpose of the agreement. 17. Please provide a list of research projects or arrangements that Cbus has requested from any union, including suspended agreements. 18. Please provide the date on which the board approved the research project or arrangement, the date it was signed, the date a Best Financial Interest test assessment was conducted, and the purpose of the agreement.	and propriety of Cbus Super's responsible persons and the Fund's expenditure management as required by APRA to confirm whether it is and has been compliant with the relevant prudential standards and statutory framework. The Independent Review identified certain deficiencies including relating to mechanisms/metrics in the Fund's expenditure management. All 26 recommendations in the Deloitte independent review have been accepted in principle by the Cbus Super Board, which fully cooperated with the independent review process. Cbus Super has now published its Rectification Plan that address the recommendations in the Deloitte review which will assist the Fund to demonstrate how partnership arrangements will be undertaken in the best financial interests of members. The Committee can refer to the Plan here: https://www.cbussuper.com.au/content/dam/cbus/files/governance/reporting/cbusrectification-plan.pdf Cbus Super acknowledges the seriousness and importance of the work required to strengthen the Fund's systems design, frameworks, policies, processes, governance and reporting as identified in the independent review to become a better, stronger fund for members. Cbus Super has already begun this important work, including to develop improvements in the way the Fund documents the value that industry partnership arrangements generate for the Fund and our members. The independent review also notably observed that industry partnership arrangements are "an important mechanism, through which industry superannuation funds achieve brand awareness, retain members and ultimately grow membership." Cbus Super discloses a list of expenditure for partnership arrangements as part of its

Question on notice	Answer
	annual reporting requirements. A link to this information has been provided previously: https://www.cbussuper.com.au/content/dam/cbus/files/governance/reporting/amm-fy24-detailed-website-disclosure.pdf
Best Financial Interests Duty 6. Did you approve the budget for the 40th anniversary celebration at the Regent Theatre? 7. What was the total cost for the 40th anniversary celebration? 8. What was the Cbus Board approval process for the 40th anniversary celebration budget? 9. What was the 40th anniversary celebration budget approval process against its best financial interests duties? 10. How many Cbus members attended the 40th anniversary celebration? 11. Which CFMEU officials were invited to the 40th anniversary celebration?	As these matters are now being considered by APRA as part of its investigation into Cbus Super's expenditure management practices, we are unable to provide further information at this time.

Question on notice	Answer
12. Were the investment team encouraged to attract fund managers as sponsors of the 40th anniversary celebration? [Additional questions received via email, 19 December 2024] 13. What state or federal parliamentarians were invited?	