ANNUAL REPORT 2018/2019

BUSSQ
building super

Issued: November 2019

BUSSQ.COM.AU

SUPER RATINGS

SUPERRATINGS PLATINUM 2019 MYSUPER

SUPERRATINGS PLATINUM 2019 MYCHOICE SUPER

SUPERRATINGS PLATINUM 2019 PENSION

10 10 YR PLATINUM PERFORMANCE 2009–2019

PENSION OF THE YEAR FINALIST 2019

100% INDUSTRY SUPER

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This Annual Report forms part of your 2019 Annual Member Statement and must be read together with your Annual Member Statement.

This Annual Report covers
BUSSQ MySuper
BUSSQ Premium Choice
BUSSQ Income account
Child Income account
Term Allocated Pension and
Transition to Retirement Income account

Fund:
BUSSQ ABN 85 571 332 201
RSE L0002158
Registration number R1055870
SFN 268 338 948
Trustee:
BUSS(Queensland) Pty Ltd
ABN 15 065 081 281
AFSL 237860

A WORD FROM THE CHAIR

Before looking back at the year for our Fund, I first want to pay tribute to Ron Monaghan who sadly passed away at the end of June. Ron, a member of the BUSSQ Board of Directors and a colleague and friend of mine for many years, was a very strong advocate for industry super funds and a passionate champion for worker's rights. He will be missed by BUSSQ, our union partners and by many more.

For the superannuation industry this year has had a strong focus on protecting members' super balances, with new legislation introducing changes that impacted all super funds.

This new legislation included significant changes to insurance within super. Under the new laws insurance cover for members is automatically cancelled under certain circumstances. It has been a priority for us to educate our members and workers in the industry on these changes and the importance of taking action, such as making regular contributions to their account, if they wish to maintain their insurance cover.

Further legislation changes introduced from November will impact insurance cover for members with a balance under $6,000 and new members aged under 25 who join funds from 1 April 2020. Many of these members will have to let us know if they want insurance cover as it will no longer be a benefit automatically provided upon joining a super fund.

These important changes in government legislation affect many Australians, and particularly those who work in higher risk industries like building and construction.

The 2018/2019 financial year was also a challenging year for investors, with the Australian economy weakening as the year progressed and growth slowing across global markets. This year the Fund's Balanced Growth investment option returned 4.89% for Super members and 4.97% for Income account members.

The fund continues to deliver strong long term returns for members with an average return of 9.71% over the 34 years since inception in 1985 (calculated at 30 June 2019). In 2019 our Super and Income account products were again recognised by *SuperRatings* with Platinum Ratings for providing the greatest potential to maximise members' retirement savings in a well serviced environment.

Our provision of personalised service to workers in the building and construction industry was further extended this year with the expansion of our member services into South Australia. As a fund heavily focused on member outcomes, being able to provide face to face support to workers in this region is a step forward.

I would like to thank the team for their continued dedication to our members. We are proud to be working to help our members achieve a more comfortable retirement lifestyle and look forward to continuing to strengthen the services we provide for our members and workers in the industry over the coming year.

Paula Masters

Paula Masters
Chair

ABOUT BUSSQ

- ✓ **BUSSQ IS A NATIONWIDE INDUSTRY SUPER FUND FOR THE BUILDING, CONSTRUCTION AND CIVIL INDUSTRIES**
- ✓ **BUSSQ $5 BILLION STRONG**
- ✓ **OVER 80,000 MEMBERS**
- ✓ **OVER 17,000 PARTICIPATING EMPLOYERS**
- ✓ **COMPETITIVE FEES**
- ✓ **PROFIT FOR MEMBERS**
- ✓ **STRONG LONG TERM INVESTMENT RETURNS**

BUSSQ'S 2018/2019 RETURNS IN BRIEF	Super	Income account
PREMIXED		
Balanced Growth	4.89%	4.97%
Defensive	3.53%	3.93%
High Growth	5.62%	5.88%
SINGLE ASSET CLASS		
Cash	1.83%	2.18%
Diversified Fixed Interest	3.74%	4.43%
Australian Shares	5.22%	6.20%
Australian (Larger Companies) Shares*	-5.09%	-5.65%
Australian (Small Companies) Shares	4.29%	5.35%
All Shares	6.16%	6.93%
International Shares	6.35%	7.01%
International Shares (Emerging Markets)	3.15%	3.53%

Past performance is not an indication of future performance.

* This investment option closed on 1 November 2018. The returns shown are for the period to 31 October 2018.

BUSSQ FEATURES AND BENEFITS

Strong long term investment returns

BUSSQ is one of Australia's leading super funds, consistently delivering strong long term returns for members. BUSSQ's MySuper, Premium Choice and Income account products were also awarded *SuperRatings* 2019 Platinum Rating for providing the greatest potential to maximise members' retirement savings in a well serviced environment.

Profits are returned to members

Our members always come first. Profits are returned to members, unlike many other super funds that pay a portion of their profits to shareholders and commissions to agents. This means more money for members.

Industry leading arrears process

BUSSQ is committed to making sure you receive the super you're entitled to. Our highly skilled Arrears Department works closely with unions, employers and major contractors to help you get the super you've worked hard for. If you have questions or concerns about your super payments, give us a call.

Competitive fees

BUSSQ keeps its fees competitive to ensure more money goes into your account. There are NO establishment or contribution fees and during the 2018/2019 financial year the direct administration fee was only $1.50 per week^.

Financial planning advice

Financial Planners from Skylight, built by BUSSQ, offer financial advice ranging from simple, straightforward advice at no cost to BUSSQ members*, to more complex advice on a competitive fee for service basis.

Insurance flexibility

Our insurance products are designed to provide you with a simple, low cost alternative when it comes to purchasing insurance protection. Cover includes:

- **Death only**
- **Death and Total and Permanent Disablement, and**
- **Income Protection.**

Cover is specifically for the building, construction and civil industries and the insurance premium you pay depends on the work you do, the amount of cover you choose, your age and whether you are male or female.

BUSSQ.COM.AU

1800 MY BUSSQ
1800 69 2877

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^ The direct administration fee from 1 July 2019 is $2.25 per week. * Personal limited financial advice about super including contributions and choosing insurance and investment options is provided by Skylight Financial Solutions at no extra cost to BUSSQ members as it is included in BUSSQ's administration fees. Skylight (ABN: 46 076 835 848 AFSL 450 139) also offers members and non-members more complex financial advice on a fee for service basis in person or over the phone. Refer to Skylight's Financial Services Guide. For more information about BUSSQ's awards and ratings refer to bussq.com.au.

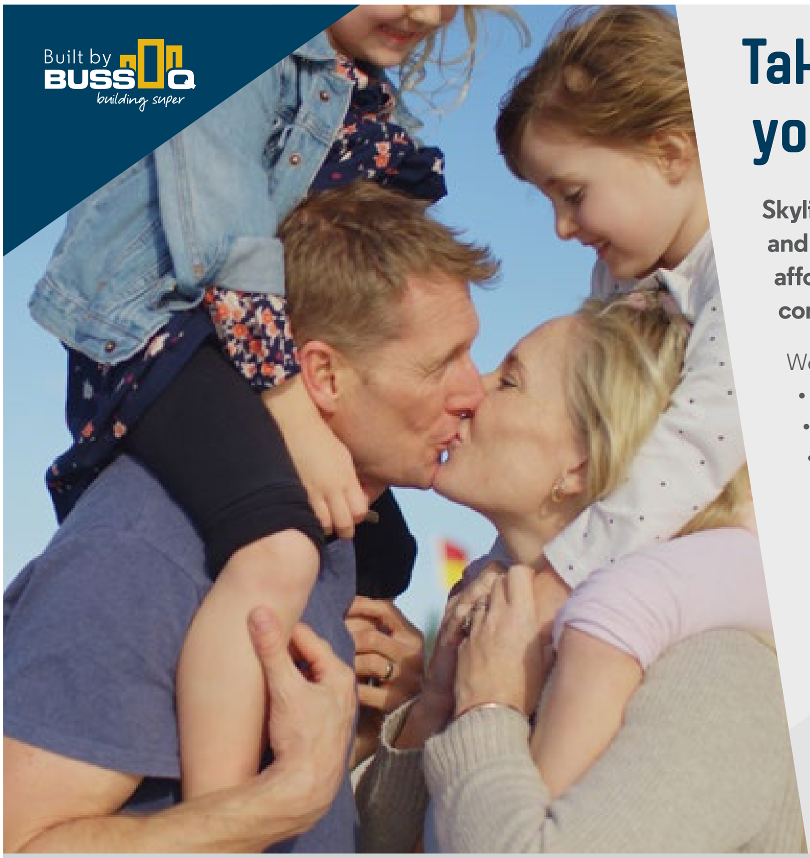
FINANCIAL PLANNING

BUSSQ built Skylight Financial Solutions to deliver more for families in and around building and construction. We saw a need to provide families with better, more affordable financial solutions, and from this Skylight was born.

Financial Planners from Skylight provide straightforward financial advice for BUSSQ members, including advice on choosing investment, insurance options and salary sacrifice at no extra cost*.

Skylight also provides a full range of tailored financial solutions on an affordable fee for service basis. From simple banking and budgeting tools, to business planning and complex financial strategies, Skylight can help you get your finances sorted, wherever you are in life.

Best of all, profits don't go to shareholders; they go back into running and building Skylight to help people live a better life today while building their biggest and brightest tomorrow.



Take control of your financial future.

Skylight provides workers and families in and around building and construction with affordable financial solutions to help you take control of your finances.

We can help you with:

- **Commission free insurance**
- **Super**
- **Salary sacrifice**
- **Buying your first home**
- **Wealth creation**
- **Retirement planning**
- **Centrelink Assist**

SKYLIGHT
FINANCIAL SOLUTIONS

Book your first obligation and cost free appointment at **skylight.com.au** or by calling **1800 SKYLIGHT • 1800 759 544**.

IMPORTANT INFORMATION The advice supplied in this publication is general advice only and does not take into account or consider your personal objectives, financial situation or needs. Before acting on this information you should consider the appropriateness of the information to your individual needs or seek advice. Prepared by Skylight Financial Solutions Pty Ltd (ABN 46 076 835 848, AFSL 450139) owned by BUSS (Queensland) Pty Ltd (ABN 15 065 081 281).

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* Personal limited financial advice about super including contributions and choosing insurance and investment options, is provided by Skylight Financial Solutions at no extra cost to BUSSQ members as it is included in BUSSQ's administration fees.

MANAGING BUSSQ

The Trustee of the Building Unions Superannuation Scheme (Queensland) (BUSSQ) is BUSS(Queensland) Pty Ltd (ABN 15 065 081 281) and it is responsible for managing the Fund on behalf of its members. BUSSQ's ABN is 85 571 332 201.

The Board of the Trustee company has six directors comprising an equal number of directors nominated by employers and members. BUSSQ is a regulated Fund which is operated to comply with the Superannuation Industry (Supervision) Act 1993 (SIS). BUSSQ is an employer sponsored, public offer fund.

The Trustee holds an Australian Financial Services Licence (AFSL) and is licensed to provide personal and general financial advice on superannuation products. The Trustee's AFSL number is 237860 and its RSE licence number is L0002158. BUSSQ's Super Fund Number (SFN) is 268 338 948 and its RSE registration number is R1055870. Australian Administration Services (AAS) is the Fund's administrator.

HOW ARE MEMBER DIRECTORS APPOINTED TO THE BOARD?

The Construction, Forestry, Mining and Energy Industrial Employees Union of Queensland nominates **three directors** to represent the members.

HOW ARE EMPLOYER DIRECTORS APPOINTED TO THE BOARD?

The Master Builders Queensland nominates **three directors** to represent employers to the Fund.

HOW ARE DIRECTORS REMOVED FROM THE BOARD?

Representatives on the Board can be removed if they become disqualified (under the SIS), suspended or if there is a court order to remove them. Replacement representatives are appointed from the same sponsor to ensure there is always equal representation of members and employers.

HOW OFTEN DOES THE BOARD MEET?

The Board meets every second month and has the responsibility of ensuring that the Fund is run in the best interests of all members. The Board also ensures that the Fund is operated and managed in accordance with the Trust Deed and superannuation legislation.

2018/2019 MEMBER DIRECTORS	2018/2019 EMPLOYER DIRECTORS
PAULA MASTERS - CHAIR **(SINCE 2015)**	**GRANT GALVIN** **(SINCE 2014)**
RON MONAGHAN **(SINCE 2015)**	**PAUL BIDWELL** **(SINCE 2014)**
WALLACE TROHEAR **(SINCE 1993)**	**SONYA BEYERS** **(SINCE 2018)**

MANAGING BUSSQ AND SERVICE PROVIDERS

TRUSTEE COMMITTEES

Certain Trustee responsibilities are delegated to committees consisting of Trustee directors and other nominees of the Trustee. These include a committee for audit, governance and compliance review; a committee for risk management; a committee to make recommendations to the Board regarding investments; a committee to review director and executive appointments and remunerations; and a committee to review claims for death and disablement benefits.

The committees are appointed by the Board.

The committees report to the Board at the following Board meeting to have their decisions ratified. The Board also appoints ad hoc committees for special projects, eg. tenders.

The committees and the committee members and attendees as at 30 June 2019 were:

Audit, Governance and Compliance Committee

- Wallace Trohear (Chair)
- Paula Masters
- Sonya Beyers
- Ron Monaghan
- Leonie Taylor (Bentleys) – Attendee
- Adrian O'Grady – Attendee

Investment Committee

- Grant Galvin (Chair)
- Wallace Trohear
- Paul Bidwell
- Ron Monaghan
- Sonya Beyers
- Paula Masters

Remuneration and Nominations Committee

- Sonya Beyers (Chair)
- Wallace Trohear
- Paula Masters
- Grant Galvin

Insurance Committee

- Paul Bidwell (Chair)
- Ron Monaghan
- Grant Galvin
- Paul Richards
- Arturo Menon
- Paula Masters
- Anthony Stott

Risk Management Committee

- Wallace Trohear (Chair)
- Paula Masters
- Ron Monaghan
- Sonya Beyers
- Leonie Taylor (attendee)
- Adrian O'Grady (attendee)

PROFESSIONAL ADVISERS AND SERVICE PROVIDERS

As at 30 June 2019 the following companies provided professional services to the Trustee to assist in efficient and proper management of the Fund.

Custodian

- BNP Paribas Securities Services

Administrator

- Australian Administration Services Pty Ltd

External auditor

- Ernst and Young

Internal auditor

- Bentleys

Tax agent

- Ernst and Young

Insurer – group life

- OnePath

Insurer – professional indemnity

- Lloyds London
- Liberty

Investment advice

- Frontier Advisors

Legal advice

- Corrs Chambers Westgarth
- DLA Piper

INDEMNITY INSURANCE

The Trustee holds indemnity insurance to protect the Fund, the directors and officers from losses arising out of legal action taken against the Trustee. No penalties were imposed against the Trustee in the 2018/2019 financial year.

RELATED PARTY TRANSACTIONS

Master Builders Queensland Insurance Services, which is owned by the Master Builders Queensland, arrange certain insurances on behalf of the Fund.

The Trustee of the fund holds a 100% share of Skylight Financial Solutions Pty Ltd (Skylight), on behalf of the Fund. Certain directors and key management personnel of the Trustee are directors of Skylight. Transactions are made at market rates. The amounts outstanding are unsecured and will be settled in cash. No expenses for bad or doubtful debts have been recognised during the year in respect to amounts owed by related parties.

SALARY REVIEWS

The Board is committed to providing an environment for BUSSQ staff that is equitable, transparent and engaging, with equal opportunities for advancement.

This year the Board engaged Willis Towers Watson to evaluate all positions within the BUSSQ Trustee office and provide market based salary bands for each position. The objective of the exercise was to provide staff with a transparent compensation process in line with BUSSQ's commitment to equal opportunities for all staff.

There was an increase in salaries due to the remuneration review which resulted in variable bonuses, previously paid in each following financial year, being included in the new fixed salary and all salaries being brought to the median.

BUSSQ INVESTMENTS

INVESTMENT STRATEGY AND OBJECTIVES

The broad investment objective of the Trustee is to maximise investment returns without taking unacceptable risks. In addition, the Trustee has set an objective for each investment option. In other words, the Trustee has set a specific target performance for each option and these are set out in the tables on the following pages. In order to achieve its investment objectives, the Trustee has established a strategy for each option. The Trustee aims to invest in various asset classes for each investment choice at certain levels, called the 'target asset allocation' and these are also set out in the tables on the following pages.

Note that these allocations will be the normal mix of asset classes for each option, but the actual investment allocations may differ slightly from the target allocation, as the Trustee needs the flexibility to respond to conditions in the market. The Trustee will not, however, invest outside certain asset class ranges, which have been established with the help of a professional investment consultant. The Fund's Trustee constantly monitors investments and may vary the asset mix during the year in accordance with market conditions to help achieve a steady and consistent return.

In addition, professional investment managers are appointed to manage the funds within those asset class ranges. They are required to report to the Trustee regularly and are continuously monitored. Investing in a range of asset classes with a range of specialist investment managers offers diversification and in turn reduces investment risk.

2018/2019 INVESTMENT REPORT

The 2018/2019 financial year was a challenging year for investors. During the first half of the year we saw a continuation of growth across the global economy, however in the second half of the year we started to see cracks appearing suggesting that growth was slowing particularly in Europe, Japan and China.

In response to this we saw interest rate changes across global economies during the year. The US Federal Reserve moved from potentially increasing rates in 2018 to talk of cutting rates and the European Central Bank now expects to retain negative interest rates for a longer period. Inflation also remained low, below target levels.

In Australia the economy weakened as the year progressed, leading the Reserve Bank of Australia (RBA) to cut rates in June, the first cut in 3 years. Despite strong exports having a positive impact on the economy we saw house prices fall as the construction boom peaked and consumer spending weaken, leading the RBA to make this rate cut.

Globally, the main themes affecting markets over the last 12 months have been:

- Continuation of trade tensions between the US and China
- Low interest rates have led investors looking for income into high yielding equities
- Deteriorating outlook for company earnings
- Brexit process delays

In the 2018/2019 year the Fund's Balanced Growth Super option returned 4.89%. With inflation at 1.6% this amounts to real returns of 3.29% pa. (Balanced Growth Income account option returned 4.97%).

Since 30 June 2019 markets have continued to be quite volatile with the RBA cutting rates in July and then to a record low of 0.75% in October. The global risks of last financial year, uncertainty around trade, lower inflation and slowing global trade contributed to the US Federal Reserve's decision to lower their rate twice during first quarter of 2019/2020.

We continue to consider that the investment environment will remain challenging over the next 12 months and as such we are focused on managing risk. The Fund continues to maintain a diversified portfolio of investments, including unlisted assets such as property and infrastructure which have provided some protection against volatility in global markets. The Fund also continues to look for opportunities to add value in the current environment.

INCOME ACCOUNT PRE-MIXED INVESTMENT OPTIONS

BALANCED GROWTH

Overview

Designed for medium to long term investors. Balanced Growth Income Account is the most diversified pre-mixed option and provides a mix of growth and defensive assets such as shares, property and fixed interest securities. The frequency of negative annual returns is expected to be 2.7 years over any 20 years*.

Investment objective

For the annual rate credited to members to exceed the change in the Consumer Price Index by +4.0% per annum over rolling 10 years.

Target asset allocation

Australian Shares	28%
International Shares	17%
Property	13%
Fixed Interest	13%
Infrastructure	12.5%
Opportunistic Debt	7%
Cash	4%
Agriculture	3%
Opportunistic Growth	2.5%

Suggested minimum investment timeframe

At least five years

Risk level

1	2	3	**4**	5	6	7
Very Low	Low	Low to Medium	**Medium**	Medium to High	High	Very High

DEFENSIVE

Overview

Designed for short to medium term investors looking for stable returns with minimal capital growth. The Defensive option provides investments mainly in fixed interest securities, with moderate exposure to growth assets, such as shares and property. The frequency of negative annual returns is expected to be 0.6 years over any 20 years*.

Investment objective

For the annual rate credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +2.0% per annum over rolling 10 years.

Target asset allocation

Cash	23.5%
Fixed Interest	22%
Infrastructure	12.5%
Property	12.5%
Australian Shares	10%
Opportunistic Debt	8.5%
International Shares	7%
Agriculture	3%
Opportunistic Growth	1%

Suggested minimum investment timeframe

At least three years

Risk level

1	**2**	3	4	5	6	7
Very Low	**Low**	Low to Medium	Medium	Medium to High	High	Very High

HIGH GROWTH

Overview

This option may suit long term investors looking for an attractive return and capital growth and who can tolerate a higher level of risk and volatility. High Growth provides a high allocation of investments to growth assets, such as shares. The frequency of negative annual returns is expected to be 3.8 years over any 20 years*.

Investment objective

For the annual rate credited to members to exceed the change in the Consumer Price Index by +4.5% per annum over rolling 10 years.

Target asset allocation

Australian Shares	38%
International Shares	27%
Property	13%
Infrastructure	12.5%
Opportunistic Debt	4%
Agriculture	3%
Opportunistic Growth	2.5%

Suggested minimum investment timeframe

At least 10 years

Risk level

1	2	3	4	**5**	6	7
Very Low	Low	Low to Medium	Medium	**Medium to High**	High	Very High

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* The frequency of a negative return is based on the Standard Risk Measure Guidance for trustees recommended by APRA, ASIC, ASFA and FSC and is explained on page 14.

SUPER PRE-MIXED INVESTMENT OPTIONS

BALANCED GROWTH

Overview

Designed for medium to long term investors. This is BUSSQ's default option for members that don't actively choose an investment option. Balanced Growth is the most diversified pre-mixed option and provides a mix of growth and defensive assets such as shares, property and fixed interest securities. The frequency of negative annual returns is expected to be 2.98 years over any 20 years*.

Investment objective

For the annual rate credited to members to exceed the change in the Consumer Price Index by +4.0% per annum over rolling 10 years.

Target asset allocation

Australian Shares	**26.0%**
International Shares	**25.0%**
Property	**13.0%**
Infrastructure	**12.5%**
Fixed Interest	**10.0%**
Opportunistic Debt	**5.0%**
Agriculture	**4.0%**
Opportunistic Growth	**2.5%**
Cash	**2.0%**

Suggested minimum investment timeframe

At least five years

Risk level

1	2	3	**4**	5	6	7
Very Low	Low	Low to Medium	**Medium**	Medium to High	High	Very High

DEFENSIVE

Overview

Designed for short to medium term investors looking for stable returns with minimal capital growth. The Defensive option provides investment mainly in fixed interest securities, with moderate exposure to growth assets, such as shares and property. The frequency of negative annual returns is expected to be 0.8 years over any 20 years*.

Investment objective

For the annual rate credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +2.5% per annum over rolling 10 years.

Target asset allocation

Fixed Interest	**22.0%**
Cash	**22.0%**
Infrastructure	**12.5%**
Property	**12.5%**
Australian Shares	**10.0%**
International Shares	**9.5%**
Opportunistic Debt	**6.5%**
Agriculture	**4.0%**
Opportunistic Growth	**1.0%**

Suggested minimum investment timeframe

At least three years

Risk level

1	**2**	3	4	5	6	7
Very Low	**Low**	Low to Medium	Medium	Medium to High	High	Very High

HIGH GROWTH

Overview

This option may suit long term investors looking for an attractive return and capital growth who can tolerate a higher level of risk and volatility. High Growth provides a high allocation of investments to growth assets, such as shares. The frequency of negative annual returns is expected to be 3.7 years over any 20 years*.

Investment objective

For the annual rate credited to members to exceed change in the Consumer Price Index by +4.5% per annum over rolling 10 years.

Target asset allocation

Australian Shares	**33.0%**
International Shares	**31.0%**
Property	**13.0%**
Infrastructure	**12.5%**
Agriculture	**4.0%**
Opportunistic Debt	**4.0%**
Opportunistic Growth	**2.5%**

Suggested minimum investment timeframe

At least 10 years

Risk level

1	2	3	4	**5**	6	7
Very Low	Low	Low to Medium	Medium	**Medium to High**	High	Very High

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* The frequency of a negative return is based on the Standard Risk Measure Guidance for trustees recommended by APRA, ASIC, ASFA and FSC and is explained on page 14.

SINGLE ASSET CLASS INVESTMENT OPTIONS

CASH	DIVERSIFIED FIXED INTEREST	AUSTRALIAN SHARES
Overview This investment option is for investors who are risk averse and looking for a 100% cash investment. This option may suit members who are willing to sacrifice overall return in favour of less risk and a steady rate of return. The Cash pool aims to avoid negative annual returns in any year*.	**Overview** This investment option is for investors looking for a stand alone Fixed Interest investment. This option invests in BUSSQ's Diversified Fixed Interest sector. The frequency of negative annual returns is expected to be 1 year over any 20 years*.	**Overview** This investment option is for investors looking for a stand alone Australian Shares investment. This option is a sector specific option and invests 100% in BUSSQ's Australian Shares sector. The frequency of negative annual returns is expected to be 6.1 years over any 20 years*.
Investment objective For the annual rate credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +1.0% per annum over rolling 10 years.	**Investment objective** For the annual rate credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +2.0% per annum over rolling 10 years.	**Investment objective** For the annual rate credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +4.5% per annum over rolling 10 years.
Target asset allocation Cash **100%**	**Target asset allocation** Diversified Fixed Interest **100%**	**Target asset allocation** Australian Shares **100%**
Suggested minimum investment timeframe Not applicable	**Suggested minimum investment timeframe** At least three years	**Suggested minimum investment timeframe** At least 10 years
Risk level **1** 2 3 4 5 6 7 **Very Low** · Low · Low to Medium · Medium · Medium to High · High · Very High	**Risk level** 1 2 **3** 4 5 6 7 Very Low · Low · **Low to Medium** · Medium · Medium to High · High · Very High	**Risk level** 1 2 3 4 5 6 **7** Very Low · Low · Low to Medium · Medium · Medium to High · High · **Very High**

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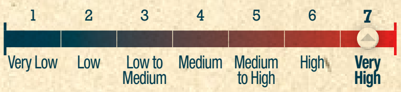
* The frequency of a negative return is based on the Standard Risk Measure Guidance for trustees recommended by APRA, ASIC, ASFA and FSC and is explained on page 14.

SINGLE ASSET CLASS
INVESTMENT OPTIONS

	AUSTRALIAN (LARGER COMPANIES) SHARES^	AUSTRALIAN (SMALL COMPANIES) SHARES	ALL SHARES
Overview	This investment option is for investors looking for a stand alone investment focused on shares in larger Australian companies. This option is a sector specific option and invests 100% in Australian shares and, in particular, larger listed companies. The frequency of negative annual returns is expected to be 6.1 years over any 20 years*.	This investment option is for investors looking for a stand alone investment, focused on shares in smaller Australian companies. This option is a sector specific option and invests 100% in Australian shares and, in particular, smaller listed companies. The frequency of negative annual returns is expected to be 7.3 years over any 20 years*.	This investment option is for investors looking for a diversified shares investment covering both Australian and International Shares. The option will invest 50% in Australian Shares and 50% in Overseas Shares. The frequency of negative annual returns is expected to be 5.3 years over any 20 years*.
Investment objective	The investment objective is for the annual rate of earnings credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +4.5% per annum over rolling 10 years.	The investment objective is for the annual rate of earnings credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +5.0% per annum over rolling 10 years.	The investment objective is for the annual rate of earnings credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +4.5% per annum over rolling 10 years.
Target asset allocation	Australian (Larger Companies) Shares **100%**	Australian (Small Companies) Shares **100%**	Australian Shares **50%** International Shares **50%**
Suggested minimum investment timeframe	At least 10 years	At least 10 years	At least 10 years
Risk level			

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^ This investment option closed on 1 November 2018.

* The frequency of a negative return is based on the Standard Risk Measure Guidance for trustees recommended by APRA, ASIC, ASFA and FSC and is explained on page 14.

SINGLE ASSET CLASS INVESTMENT OPTIONS

INTERNATIONAL SHARES

Overview

This investment option is for investors looking for a stand alone International Shares investment. This option has variable currency hedging depending on market conditions and the assessed relative value of the Australian dollar. The frequency of negative annual returns is expected to be 5.5 years over any 20 years*.

Investment objective

For the annual rate credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +4.5% per annum over rolling 10 years.

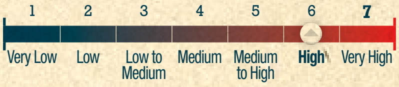
Target asset allocation

International Shares	**100%**

Suggested minimum investment timeframe

At least 10 years

Risk level



INTERNATIONAL (EMERGING MARKETS) SHARES

Overview

This investment option is for investors looking for a stand alone investment in International Shares in emerging market countries (eg Brazil, India, China). This option is unhedged, which means that it will be subject to fluctuations in performance because of currency movements. The frequency of negative annual returns is expected to be 6.0 years over any 20 years*.

Investment objective

For the annual rate of earnings credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +5.0% per annum over rolling 10 years.

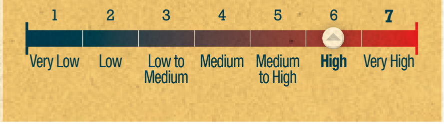
Target asset allocation

International (Emerging Markets) Shares	**100%**

Suggested minimum investment timeframe

At least 10 years

Risk level



MEASURING RISK

A Standard Risk Measure for investment options has been developed for super funds to make it easier for you to compare investment options (both within and across super funds). The Standard Risk Measure is based on industry guidance to allow you to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. There are seven risk bands and they are as follows:

RISK BAND	RISK LABEL	ESTIMATED NUMBER OF NEGATIVE ANNUAL RETURNS OVER ANY 20 YEAR PERIOD
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

The Standard Risk Measure is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than you may require to meet your objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.

You should still ensure you are comfortable with the risks and potential losses associated with your chosen investment option(s).

The use of the Standard Risk Measure is endorsed and strongly recommended by the Australian Prudential Regulatory Authority (APRA), Australian Securities and Investments Commission (ASIC), Association of Superannuation Funds of Australia (ASFA) and the Financial Services Council (FSC) for all Australian super funds.

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* The frequency of a negative return is based on the Standard Risk Measure Guidance for trustees recommended by APRA, ASIC, ASFA and FSC and is explained on this page.

BUSSQ INVESTMENT RETURN HISTORY

INVESTMENT OPTION		INVESTMENT RETURNS FOR THE YEAR ENDED 30 JUNE					COMPOUND AVERAGE RETURN OVER 5 YEARS % p.a.	COMPOUND AVERAGE RETURN OVER 3 YEARS % p.a.
		2019 %	2018 %	2017 %	2016 %	2015 %		
PRE-MIXED								
Balanced Growth	**Super**	4.89	8.79	9.76	7.00	9.80	8.03	7.79
	Income account	4.97	10.47	9.40	7.48	10.65	8.57	8.25
Defensive	**Super**	3.53	6.65	5.85	5.63	6.36	5.60	5.34
	Income account	3.93	8.17	6.05	6.25	7.15	6.30	6.04
High Growth	**Super**	5.62	9.96	11.16	7.36	10.71	8.94	8.89
	Income account	5.88	12.39	11.56	7.68	11.38	9.75	9.90
SINGLE ASSET CLASS								
Cash	**Super**	1.83	1.63	1.75	1.91	2.21	1.86	1.73
	Income account	2.18	2.44	2.08	2.27	2.61	2.32	2.23
Diversified Fixed Interest	**Super**	3.74	1.56	2.17	2.66	3.09	2.64	2.49
	Income account	4.43	2.37	2.56	3.16	3.65	3.23	3.12
Australian Shares	**Super**	5.22	13.42	13.15	6.93	6.02	8.89	10.53
	Income account	6.20	15.65	15.02	7.81	6.76	10.21	12.20
Australian (Larger Companies) Shares	**Super**	-5.09*	12.90	13.13	5.65	5.78	6.82*	8.45*
	Income account	-5.65*	15.05	15.00	6.33	6.46	7.79*	9.77*
Australian (Small Companies) Shares	**Super**	4.29	14.29	12.55	10.13	7.22	9.64	10.29
	Income account	5.35	16.53	14.27	11.15	8.15	11.02	11.95
All Shares	**Super**	6.16	12.26	14.99	5.29	12.48	10.17	11.07
	Income account	6.93	14.32	17.01	5.32	14.08	11.44	12.67
International Shares	**Super**	6.35	11.58	16.47	3.62	18.55	11.17	11.39
	Income account	7.01	13.48	18.49	3.33	20.95	12.45	12.90
International (Emerging Markets) Shares	**Super**	3.15	8.40	15.67	-6.82	13.78	6.52	8.95
	Income account	3.53	10.21	17.86	-8.32	16.46	7.51	10.38

Note: All rates are after tax, where applicable, and other management costs. These are shown in the BUSSQ *Product Disclosure Statement* (PDS) and your *Annual Member Statement.* The Australian (Larger Companies) Shares option closed from 1 November 2018. * The returns shown are for the periods to 31 October 2018.

The Single Asset Class options (Diversified Fixed Interest, Australian Shares, Australian (Small Companies) Shares, All Shares, International Shares and International (Emerging Markets) Shares are only available to members of the BUSSQ Premium Choice and Income account products.

For more information about *Member Investment Choice,* call BUSSQ on **1800 MY BUSSQ (1800 69 2877)** and speak to a financial planner who can assist you to make your investment decisions. (See page 6 for more information).

BUSSQ INVESTMENT MANAGERS

INVESTMENT MANAGER	JUNE 2019 %
AGRICULTURE	
DUXTON CAPITAL	0.7%
MACQUARIE PASTORAL FUND	2.8%
STAFFORD INTERNATIONAL TIMBERLAND	0.4%
TOTAL AGRICULTURE	3.9%
AUSTRALIAN SHARES	
ELLERSTON	6.2%
HYPERION	4.7%
IFM	6.4%
PERPETUAL	2.2%
WARAKIRRI	5.5%
TOTAL AUSTRALIAN SHARES	25.0%
INTERNATIONAL SHARES	
ACADIAN	0.4%
AQR	2.1%
IFP	8.8%
LAZARD	2.9%
ORBIS	4.3%
PLATINUM	1.6%
SANDS	3.3%
TOTAL INTERNATIONAL SHARES	23.3%
CASH	
COLONIAL FIRST STATE	0.4%
RESIDUAL CASH	2.6%
TERM DEPOSITS	3.8%
TOTAL CASH	6.8%
DIRECT PROPERTY	
AMP CAPITAL INVESTORS	4.6%
BUSSQ PROPERTY TRUST	0.2%
INVESTA	1.9%
QIC	6.0%
TOTAL DIRECT PROPERTY	12.7%
FIXED INTEREST	
IFM SLT	0.0%
PIMCO	7.9%
TERM DEPOSITS	1.7%
TOTAL FIXED INTEREST	9.6%
OPPORTUNISTIC GROWTH	
SKYLIGHT	0.0%
GARDIOR	0.0%
INDUSTRY SUPER HOLDINGS PTY LTD	0.1%
NEWBURY EQUITY PARTNERS	0.1%
OAKTREE	0.2%
P A PRIVATE	0.0%
QBLK	0.0%
RHO	0.1%
SIGULER GUFF	0.3%
STAFFORD PRIVATE EQUITY	0.2%
WILSHIRE	0.1%
WASATCH	1.5%
TOTAL OPPORTUNISTIC GROWTH	2.7%
OPPORTUNISTIC DEBT	
BARINGS	0.6%
HAYFIN	0.7%
MAN GLG	0.2%
SECURIS	0.4%
WESTBOURNE	1.0%
TOTAL OPPORTUNISTIC DEBT	3.0%
INFRASTRUCTURE	
ENERGY INFRASTRUCTURE TRUST	2.3%
GARDIOR	7.2%
IFM	2.1%
MACQUARIE	1.0%
TOTAL INFRASTRUCTURE	12.6%
DERIVATIVE	
CHALLENGER	0.2%
TOTAL DERIVATIVE	0.2%
CURRENCY HEDGE	
TGM	0.1%
TOTAL CURRENCY HEDGE	0.1%
TOTAL	**100.0%**
TOTAL	**$5,089,613,051**

ABOUT YOUR INVESTMENTS

WHICH OPTION ARE YOU INVESTED IN?

Your *Annual Member Statement* shows which options or mix of options you are currently invested in. You can also check this at any time using **MemberAccess** via BUSSQ's website **bussq.com.au**, or alternatively you can call BUSSQ on **1800 MY BUSSQ (1800 69 2877)**.

WHICH OPTIONS CAN I CHOOSE FROM?

During the period 1 July 2018 to 30 June 2019 members in the MySuper product were invested in the MySuper Balanced Growth option. Members in Premium Choice and in BUSSQ Income account products can invest in: Balanced Growth, Defensive, High Growth, Cash, Diversified Fixed Interest, Australian Shares, Australian (Small Companies) Shares, International Shares, International (Emerging Markets) Shares and All Shares. The Australian (Larger Companies) option closed from 1 November 2018.

SWITCHING YOUR INVESTMENT STRATEGY

If you are a member of the Premium Choice product or Income account product BUSSQ gives you the flexibility to switch your investment option, or mix of options, at any time. There is no charge to change your investment options. If you are in the MySuper product and would like to make an investment switch, you will have to move to the Premium Choice product. Unit prices are declared weekly on a Wednesday. All switch requests received in the period 6.01pm Friday to 6pm the next Friday (^AEST/^AEDT), will be processed with an effective date as at the next Wednesday, following the declaration of the weekly unit price. There may be a delay if a public holiday falls on the Monday or Tuesday. There are three ways to change your investment selection:

- **Over the phone** – by calling BUSSQ on **1800 MY BUSSQ** (1800 69 2877)
- **Online** – simply log into ***MemberAccess*** at **bussq.com.au** and follow the prompts
- **Use a *Member Investment Choice form*** – you can download this form from **bussq.com.au**

If you switch using a *Member Investment Choice* form, you will receive a letter confirming your switch once your form has been processed. Please read it carefully to verify your investment switch has been actioned in accordance with your instructions. Should you identify an issue with your investment switch, or you do not receive a confirmation letter, please contact us immediately on **1800 MY BUSSQ (1800 69 2877)** to confirm your switch instruction.

If you switch online, you will receive confirmation that your instruction has been submitted on the screen once you click on the confirm button.

Investment choices made on a *Membership Application* form will not be subject to the weekly switching cycle procedure, and will be actioned using the unit price(s) in force at the time of processing, as per all other applications and redemptions. We cannot accept investment switch requests received in written correspondence. The Trustee does not accept notifications not done in the prescribed manner.

^AEST = Australian Eastern Standard Time (during winter, eg 6pm in QLD)

^AEDT = Australian Eastern Daylight Time (during summer, eg 5pm QLD)

INCOME ACCOUNT MEMBERS

The Trustee recognises that BUSSQ Income account members may have a lower risk appetite. Therefore BUSSQ seeks to reduce volatility for these members.

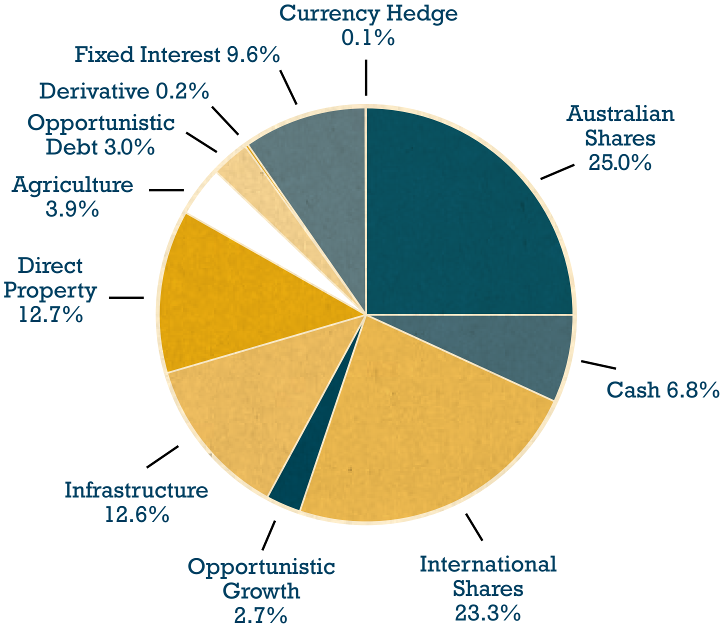
From 1 July 2017 Transition to Retirement Income account earnings are subject to tax as a result of government changes.

WHO HELPS BUSSQ INVEST?

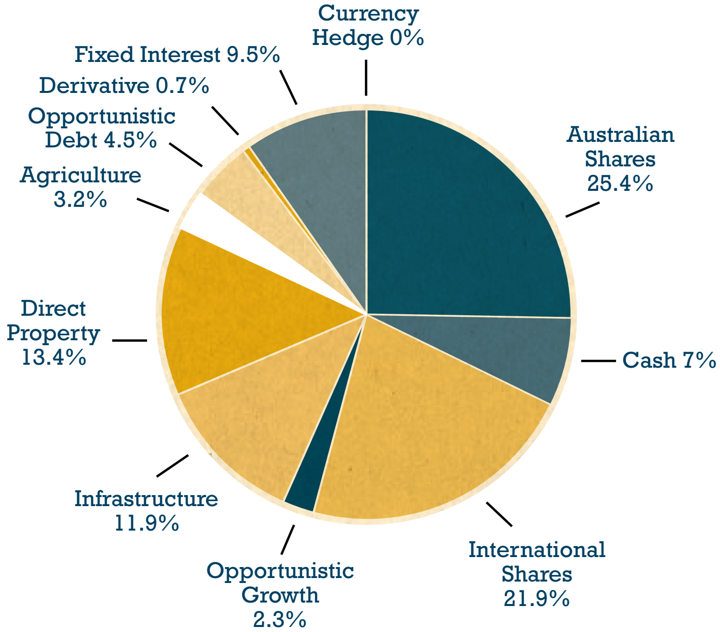
The Trustee has responsibility for the Fund's investments, within the requirements of the *Superannuation Industry (Supervision) Act 1993*.

The Trustee employs a professional investment advisor, Frontier Advisors to assist it in meeting this responsibility. As at 30 June 2019 and 30 June 2018 the total assets of BUSSQ were actually invested as follows:

30 June 2019



30 June 2018



OTHER MANAGEMENT COSTS

The management fees applicable to each of BUSSQ's investment options for the year ending 30 June 2019 are as follows (these fees include GST attributable to investment costs):

SUPER	
PRE-MIXED	
Balanced Growth	1.06%
Defensive	0.82%
High Growth	1.05%
SINGLE ASSET CLASS	
Cash	0.28%
Diversified Fixed Interest	0.70%
Australian Shares	0.71%
Australian (Larger Companies) Shares*	0.71%
Australian (Small Companies) Shares	0.78%
All Shares	0.85%
International Shares	0.85%
International (Emerging Markets) Shares	0.96%

INCOME ACCOUNT	
PRE-MIXED	
Balanced Growth	1.07%
Defensive	0.80%
High Growth	1.05%
SINGLE ASSET CLASS	
Cash	0.29%
Diversified Fixed Interest	0.71%
Australian Shares	0.72%
Australian (Larger Companies) Shares*	0.73%
Australian (Small Companies) Shares	0.81%
All Shares	0.86%
International Shares	1.01%
International (Emerging Markets) Shares	0.97%

* This investment option closed 1 November 2018.

These fees are deducted before unit prices are declared. Investment earnings applied to members' accounts are net of other management costs. For further details, please refer to the BUSSQ *Product Disclosure Statement* (PDS).

THE BUSSQ POOLED SUPERANNUATION TRUST (PST)

Most investments of BUSSQ are made via the BUSSQ PST. The Trustee of BUSSQ is also the Trustee of the BUSSQ PST. No other entities invest money in the BUSSQ PST.

OTHER INVESTMENT INFORMATION

DERIVATIVES

The Trustee and BUSSQ's investment managers have the discretion to invest in derivative financial instruments from time to time. This is generally done to either hedge a particular risk or to immediately rebalance the investment portfolio in a quick and efficient manner.

The derivatives charge ratio represents the market value of the assets of the Fund (other than cash) that are subject to a charge in relation to a derivatives contract, as a percentage of the market value of all the assets of the Fund.

BUSSQ monitors the derivatives charge ratio, and is required to disclose in the annual report if during the financial year the derivatives charge ratio exceeds 5%. This ratio was not exceeded during the 2018/2019 financial year.

The use of derivatives is at the discretion of BUSSQ's Investment Committee in consultation with BUSSQ's investment advisor Frontier Advisors. The primary reason derivatives are used is to help protect the Fund from downside risk and market volatility. They are also utilised to rebalance portfolios back to an agreed asset allocation rather than physically transacting on the Fund's investments which may trigger Capital Gains Tax (CGT) events.

RESERVES

The Trustee maintains the following reserves:

- Operational Risk Financial Requirement (ORFR) Reserve for the Fund
- ORFR for BUSSQ's Pooled Superannuation Trust (PST)
- General Reserve

The purpose of the Fund's ORFR Reserve is to address losses arising from operational risks within the Fund, if they occur. In 2018/2019, the Trustee's target ORFR Reserve for the Fund was 0.25%.

The Fund invests in the PST. The purpose of the PST's ORFR Reserve is to address losses arising from operational risks within the PST, if they occur. In 2018/2019 the Trustee's target ORFR Reserve for the PST was 0.1%.

The purpose of the General Reserve is to fund contingency expenses such as taxation adjustments and other calculation variances. In 2018/2019 the Trustee's target General Reserve was 0.15%.

The reserves are maintained from:

- any excess of investment earnings over returns credited to members' accounts, and
- any surplus of fees above the Fund's operating costs.

The following tables summarise the movement in reserves over the past three years.

Fund – Operational Risk Financial Requirement Reserve

BALANCE AS AT 30 JUNE	
2019	$12,415,293
2018	$11,913,018
2017	$11,110,274

PST - Operational Risk Financial Requirement Reserve

BALANCE AS AT 30 JUNE	
2019	$4,923,028
2018	$4,743,168
2017	$4,469,790

General Reserve

BALANCE AS AT 30 JUNE	
2019	$12,307,911
2018	$12,178,116
2017	$5,456,899

WEEKLY UNIT PRICES

How the unit value is determined

The unit value is determined by taking into account the change in value of investments within the relevant investment option and deducting the investment and operations management charges and tax. The unit price is currently calculated weekly. However, in the future the unit price may be calculated more frequently and you will be advised beforehand.

In times of high volatility, the Trustee reserves the right to calculate units more frequently or suspend the calculation of units.

Will the value of units always increase?

The nature of investment markets means that the value of units can rise or fall. The unit price reflects the performance of the investments in the option(s) chosen, after any investment charges have been deducted. That is why it is important for members to choose an investment option that they feel comfortable with, as different options have different levels of volatility. Financial advice is available if members require assistance.

When a member makes withdrawals from an account, this means they are really withdrawing a number of units.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Over the past financial year BUSSQ has continued to focus on responsible investing. We have developed a new Responsible Investment Policy and Climate Position Statement focusing on how we integrate responsible investing into new investments and across the existing portfolio. The Fund believes its members will be best served by investing in a sustainable and responsible manner, taking active responsibility for the portfolio will help identify and manage risks and enhance returns for members over the long term.

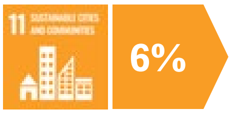
As part of the Fund's Environmental, Social and Governance (ESG) progress the Fund has also identified a subset of the United Nations Sustainable Development Goals (SDGs) that it considers to be directly relevant to the competitiveness and value of investments and that can be contributed to via capital allocation.

The SDGs are global goals to achieve a better and more sustainable future. They cover social and economic development issues such as poverty, health, education, climate change, gender equality, clean water and sanitation, affordable clean energy, urbanisation and social justice. As a worldwide focus of policy and programs, the SDGs help identify opportunities where we can positively contribute to the world our members retire in. They also indicate areas of likely future growth and opportunities. We're currently investigating how we go about including these goals into our investment decision making processes.

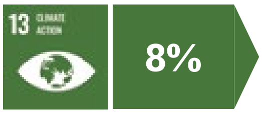
Initially we have identified our priority goals and mapped how we are already contributing to those goals through our current investments. The next step is to develop goals to improve our weightings in these areas.

BUSSQ'S PRIORITY GOALS

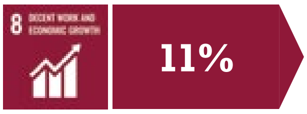
HOW OUR FUND ASSETS POSITIVELY IMPACT OUR PRIORITY SDGS



6% of the Fund's assets have a positive impact on SDG 11



8% of the Fund's assets have a positive impact on SDG 13



11% of the Fund's assets have a positive impact on SDG 8

18% of the Fund's assets have a positive impact on SDG 7

Note: Some investments are mapped to multiple goals

BUSSQ FINANCIAL STATEMENTS

BUSSQ'S ABRIDGED FINANCIAL INFORMATION

Ernst and Young has independently audited BUSSQ's financial accounts. The Trustee is satisfied that the audited abridged financial accounts summarised below represent a true and accurate record of BUSSQ's financial position.

STATEMENT OF FINANCIAL POSITION

	30 JUNE 2019 $	30 JUNE 2018 $
Assets		
Cash and cash equivalents	14,286,429	16,382,741
Receivables	6,073,375	2,083,613
Investments		
Cash and short term deposits	36,337,678	38,986,205
Pooled Superannuation Trusts	5,017,757,089	4,756,609,411
Domestic Property	12,691,573	11,019,485
Property, plant and equipment	1,744,801	1,476,112
Intangible asset	285,099	-
Deferred tax assets	1,513,318	1,758,070
TOTAL ASSETS	**5,090,689,362**	**4,828,315,637**
Liabilities		
Payables	(5,264,837)	(5,526,800)
Income tax payable	(34,598,634)	(36,924,552)
Deferred tax liabilities	(70)	(99)
Total liabilities excluding member benefits	**(39,863,541)**	**(42,451,451)**
NET ASSETS AVAILABLE FOR MEMBER BENEFITS	**5,050,825,821**	**4,785,864,186**
Member benefits		
Allocated to members	(5,020,484,810)	(4,756,350,942)
Unallocated to members	(693,026)	(677,926)
Total member liabilities	**(5,021,177,836)**	**(4,757,028,868)**
NET ASSETS	**29,647,985**	**28,835,318**
Equity		
Other reserves	17,231,433	16,921,576
Operational risk reserve	12,416,552	11,913,742
TOTAL EQUITY	**29,647,985**	**28,835,318**

INCOME STATEMENT

	30 JUNE 2019 $	30 JUNE 2018 $
Interest	690,160	845,349
Distributions from unit trusts	97,167	436,232
Changes in assets measured at fair value	242,795,973	397,518,152
Other investment income	4,932	-
Other income	12,155	89,313
TOTAL SUPERANNUATION ACTIVITIES INCOME	**243,600,387**	**398,889,046**
Investment expenses	(67,551)	(50,795)
Administration expenses	(5,213,543)	(5,785,209)
Operating expenses	(14,482,513)	(11,772,549)
Anti detriment expenses	(48,066)	(455,138)
Other expenses	(5,896,885)	(5,853,482)
TOTAL EXPENSES	**(25,708,558)**	**(23,917,173)**
Net result from superannuation activities	**217,891,829**	**374,971,873**
Profit from operating activities	**217,891,829**	**374,971,873**
Less: Net benefits allocated to members' accounts	(225,260,147)	(375,276,697)
Profit/(loss) before income tax	**(7,368,318)**	**(304,824)**
Income tax expense/(benefit)	(8,180,985)	(8,103,183)
PROFIT AFTER INCOME TAX	**812,667**	**7,798,359**

STATEMENT OF CHANGES IN MEMBER BENEFITS

	30 JUNE 2019 $	30 JUNE 2018 $
Opening balance of member benefits	**4,757,028,868**	**4,277,056,510**
Contributions:		
Employer	281,781,315	299,567,524
Member	35,597,180	37,863,999
Transfer from other superannuation plans	118,460,708	106,679,429
Government co-contributions	264,381	292,517
Income tax on contributions	(43,299,641)	(45,710,635)
NET AFTER TAX CONTRIBUTIONS	**392,803,943**	**398,692,834**
Benefits to members/beneficiaries	(345,993,445)	(289,902,978)
Insurance premiums charged to members' accounts	(33,138,263)	(33,438,106)
Death and disability insurance benefits credited to members' accounts	25,216,586	29,343,910
Benefits allocated to members' accounts, comprising:		
Net investment income	231,958,376	382,108,695
Administration fees	(6,698,229)	(6,831,997)
CLOSING BALANCE OF MEMBER BENEFITS	**5,021,177,836**	**4,757,028,868**

OTHER INFORMATION ABOUT BUSSQ

BUSSQ SUBSIDIARY COMPANIES

BUSSQ provides advice via Skylight Financial Solutions ABN 46 076 835 848 AFSL 450 139, a fully owned entity of BUSS (Queensland) Pty Ltd ABN 15 065 081 281. Until 1 July 2017 this entity was known as Building Super Pty Ltd. Advice is provided to BUSSQ members in relation to their superannuation needs. If this advice is limited to contributions, insurance or investment choice, advice is provided at no extra cost as the cost for this advice is included in the fund's administration fees. Any advice outside of this scope is provided to both members and non-members on a fee for service basis.

BUSSQ Properties Pty Ltd trading as BUSSQ Property Trust was set up in October 2011. BUSS(Queensland) Pty Ltd is the sole investor in BUSSQ Properties Pty Ltd. The Property Trust was set up as an investment vehicle to purchase the office building at 299 Coronation Drive, Milton. The objectives are that this is a successful investment with positive returns to BUSSQ Members, and it is a tenancy for the BUSSQ Fund Office and Skylight Financial Solutions.

COMMISSIONS

No commissions are payable by BUSSQ to any financial planner for advice to use any product in the BUSSQ portfolio.

FEES AND OTHER COSTS

BUSSQ's Product Disclosure Statements (PDS) give full explanations of all fees and other costs that you may be charged. Please be sure to read the PDS applicable to your membership. Current PDSs are available on our website at **bussq.com.au** or we can mail one to you at your request. Fees and costs may be deducted from your account, from the returns on your investment or from the Fund assets as a whole. Taxes and insurance costs are also set out in the PDS. BUSSQ is run as a profit for members fund which means that all profits are returned to members. Any future fee increase will only be required to cover the costs of running the Fund.

OTHER DIRECT CHARGES AGAINST MEMBERS' ACCOUNTS

Contributions tax

Employer contributions and voluntary contributions for which members claim a tax deduction are taxed at 15 per cent. This tax is deducted from members' accounts at the end of each relevant month. When the Fund calculates the overall contributions tax to pay to the ATO, administration fees and insurance premiums are claimed as a deduction. The benefit of this is passed on to all members when setting the administration and insurance deductions.

MORE INFORMATION

As well as this Annual Report, a range of information about BUSSQ is available to you including your Annual Member Statement, the BUSSQ Product Disclosure Statements (PDS), the Trust Deed, BUSSQ's group life insurance policy and the latest audited BUSSQ Accounts and Auditor's Report. If you or your beneficiaries would like a copy of these documents, or if you need more information about your benefits, BUSSQ will be pleased to help.

AML/CTF

BUSS(Queensland) Pty Ltd is a reporting entity under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 as it provides designated services under the Act.

BUSS(Queensland) Pty Ltd is enrolled with the Australian Transaction Reports and Analysis Centre ("AUSTRAC"), the governing body relating to AML/CTF and complies with all current legislation.

Risk Management Framework

To act in the best interests of our Members, BUSSQ has in place a Board approved risk management framework. The Board is ultimately responsible for the management of risk, but has delegated oversight to the Risk Management Committee. BUSSQ complies with the key legislative requirements regarding risk management and in addition adopts the international standard (ISO 31000).

A Board approved Risk Appetite Statement is in place to monitor the acceptable risk taken to achieve BUSSQ's objectives.

Additionally, BUSSQ ensures compliance with the Superannuation Prudential Standard 220 with the implementation of internal and external audit procedures. Board approved auditors declare their independence to ensure the integrity of auditing during the financial reporting process.

Conflict of Interest Management

In line with Superannuation Prudential Standard 521, BUSSQ has in place a framework to identify, avoid and manage conflicts of interest and duty.

WHAT TO DO IF YOU HAVE ANY QUESTIONS OR COMPLAINTS

BUSSQ can help if you have a question about your super. There is a formal procedure to deal with any complaint or dispute that may arise about the operation or management of the scheme. If you are not happy with any aspect of your contact with BUSSQ and wish to make a formal complaint, you should write to:

The Complaints Officer
BUSSQ
GPO Box 2775
BRISBANE QLD 4001

The Complaints Officer will investigate your complaint on your behalf and write to inform you of the results of that investigation within 90 days. If you are not satisfied with BUSSQ's handling of your complaint or its resolution, you may contact the Australian Financial Complaints Authority (AFCA). AFCA provides a fair and independent financial services complaint resolution that is free to consumers. AFCA may be able to help resolve your complaint, but only after you have taken the step of writing to the BUSSQ Complaints Officer. AFCA contact details are:

WEB	www.afca.org.au
EMAIL	info@afca.org.au
PHONE	1800 931 678 (free call)

POSTAL ADDRESS
Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

ARREARS POLICY

The Fund takes its responsibility to ensure that members receive their legislated or Enterprise Bargaining Agreement (EBA) entitlements very seriously. The Fund uses a process of reminder communications and telephone calls to follow up employers who have missed contributions. If contributions remain unpaid, the Fund refers the matter to either the relevant union where an EBA is in place, or to you, so that you can make a complaint to the Australian Taxation Office. The Fund will also take legal action against employers where applicable. However, the Fund takes great care to protect members' personal data in these processes. The Fund also has a service to assist members to follow up unpaid superannuation. Please call the Fund office on **1800 856 722** if you require assistance.

PRIVACY POLICY

BUSSQ's privacy policy is available at **bussq.com.au** or call us and we'll send you a copy.

TRUST DEED

The Trust Deed is a legal document that sets out how the Fund is to be operated. The Trust Deed must also operate within the superannuation legislation.

TEMPORARY RESIDENTS DEPARTING AUSTRALIA

From 1 July 2002, if you entered Australia on an eligible temporary resident's visa and have subsequently permanently departed Australia, you are able to claim payment of any superannuation you may have accumulated. You are unable to apply for the payment of your benefit until after you have permanently departed Australia. Tax will be deducted before payment of your benefit.

If you do not claim your monies within six months of leaving Australia or expiry of your visa, we are required to transfer the monies to the Australian Taxation Office (ATO). The ATO will not pay interest on these monies. Once your monies have been transferred to the ATO, you must contact the ATO should you wish to make a claim. Under relief granted by the Australian Securities and Investments Commission (ASIC), BUSSQ is not obliged to advise you when monies have been transferred or provide an exit statement.

Australian citizens who permanently depart Australia are not eligible to claim their benefits under this condition. New Zealand citizens who have been working temporarily in Australia are also not eligible when they leave Australia.

Further information regarding this can be found on the ATO website **(ato.gov.au).**

WHAT YOU SHOULD KNOW ABOUT THIS GUIDE

This Joint Financial Services Guide (FSG) has been prepared, authorised and issued by BUSS (Queensland) Pty Ltd (ABN 15 065 081 281, AFSL 237860) as Trustee for BUSSQ (ABN 85 571 332 201) (the Trustee), Skylight Financial Solutions Pty Ltd (ABN 46 076 835 848, AFSL 450139) (Skylight) and by Link Advice Pty Ltd (ABN 36 105 811 836, AFSL 258145)(Link Advice). The distribution of this FSG by the Trustee, Skylight and Link Advice has been authorised by all parties.

COMBINED FINANCIAL SERVICES GUIDE

ISSUED 21 NOVEMBER 2019

The Trustee has contracted with Australian Administration Services Pty Limited (ABN 62 003 429 114) (AAS) to provide member and employer administration services in relation to BUSSQ. Link Advice is a wholly owned subsidiary of AAS and authorises certain AAS employees to provide general financial product advice to BUSSQ members through the member contact centre. The purpose of this FSG is to help you decide whether to use the services offered by the Trustee, Skylight and/or Link Advice. This FSG will provide you with information about the services provided by the Trustee, Skylight and Link Advice, and how their respective representatives are remunerated in relation to the financial services offered and how complaints against BUSSQ, Skylight and Link Advice are dealt with.

The Trustee is authorised to:

1. Provide financial product advice for the following classes of financial products:
   i Superannuation, and
2. Deal in a financial product by:
   i Issuing, applying for, acquiring, varying or disposing of a financial product in respect of the following classes of financial products:
      a) deposit and payment products limited to non-cash payments products, and
      b) superannuation.

The financial services provided by BUSSQ may include personal or general advice on:

- Rolling over superannuation benefits
- Salary sacrifice
- Voluntary contributions
- Member investment choice
- Insurance benefits
- Account based pension
- Spouse contributions
- Superannuation legislation
- Tax on superannuation, and
- Other superannuation issues.

Skylight is authorised to provide financial advice and deal on your behalf in relation to:

- Deposit and Payment Products - Basic Deposit
- Deposit Products – other than Basic Deposit Products
- Deposit and Payment Products - Non-cash Payment
- Government Debentures, Stocks or Bonds
- Investment Life Insurance Products
- Life Risk Insurance Products
- Managed Investment Schemes, including Investor Directed Portfolio Service
- Retirement Savings Account Products
- Securities
- Superannuation

Skylight does not provide advice in relation to:

- Stock selection
- Direct property
- Share placement
- General insurance products

Link Advice and its representatives are authorised (among other things) to deal in and to provide general financial product advice in relation to superannuation products.

Before making any decisions to acquire a BUSSQ or other financial product, you should read the relevant Product Disclosure Statement (PDS) and/or obtain professional financial advice. The PDS provides information about the benefits, including fees and risks, associated with that product.

WHAT IS GENERAL ADVICE?

General advice is advice that does not take into account your individual objectives, financial situation or needs and as such the advice may not be appropriate for your circumstances. You should assess your own financial needs and/or obtain advice from a qualified professional before acting on general advice. General advice is provided by the Trustee, Skylight and Link Advice. General advice regarding your BUSSQ membership is included as part of your BUSSQ membership fee. There is no additional cost to you for this service.

WHAT IS PERSONAL ADVICE?

Personal advice is advice that does take into account your individual objectives, financial situation or needs. Skylight provides personal financial advice on behalf of the Trustee to BUSSQ members, and also to other clients. Whenever Skylight provides you with Personal advice, a Statement of Advice (SOA), also known as a financial plan, will be provided.

The Trustee or Skylight will always tell you about:

- Any fees that will be paid in dollar amounts, in relation to a product or strategy that is recommended.
- Any limitations on the advice they can give you

When a representative of the Trustee or Skylight recommends a particular financial product, a PDS will always be provided to allow you to make an informed decision.

WHAT IS THE COST?

Link Advice does not receive specific remuneration relating to the services offered that have been outlined in this guide. AAS is remunerated by the Trustee for the contracted administration services that it provides to the BUSSQ fund, as a whole. The Trustee levies fees and charges on individual members to cover the operating costs of the fund (including administration costs). For information relating to the administration fees levied on members, please refer to the relevant Product Disclosure Statement (PDS). Link Advice and AAS do not pay or receive commissions. In some circumstances, Link Advice representatives may receive performance-based bonuses (paid by Link Group). These bonuses are discretionary and dependent on the achievement of predetermined compliance and service standards and business objectives.

Where required by legislation, the Trustee provides a fee for service approach when providing personal financial advice about superannuation matters. This advice is provided by Skylight. This ensures you only pay for the advice that you need.

The cost of Skylight providing straightforward personal advice is included in the BUSSQ administration fees. There are no additional fees or charges for this service. As BUSSQ is an industry super fund, all profits go to the members and not to shareholders. Straightforward personal advice is single issue advice such as:

- Insurance
- Contributions
- Investment Choice

Where advice other than general advice or straightforward advice as outlined above is provided, the cost of this advice will be at an hourly rate of $220 including GST.

Skylight will discuss and agree with you the cost of the advice before it is provided. All representatives are salaried employees and are not paid any commissions for providing services to you.

Neither the Trustee or Skylight Directors or our representatives receive hard or soft dollar bonuses as a direct result of providing advice to you. Directors of the Trustee and Skylight representatives do not receive commissions or bonuses as a result of the services offered to you by our representatives. Any surplus generated from fees or charges is retained to be used for the benefit of BUSSQ members. The Trustee does not pay any commissions to any third party who may refer you to BUSSQ.

WHAT COMPENSATION ARRANGEMENTS ARE IN PLACE?

The Trustee, Skylight and Link Advice each have in place adequate arrangements, including Professional Indemnity insurance, to compensate clients, fund members or their beneficiaries for loss or damage suffered as a result of breaches of any relevant legislative obligations by the Trustee, Skylight, Link Advice or their respective representatives/employees including claims in relation to the conduct of representatives/employees who no longer work for the licensees (but who did at the time of the relevant conduct). These arrangements satisfy the requirements of section 912B of the *Corporations Act 2001* (Cth).

HOW IS MY INFORMATION PROTECTED?

BUSSQ respects the privacy of its members. The Trustee and Skylight only collect information that is necessary to manage your account, provide financial advice, meet any legislative requirements and provide you with opportunities available to you as a member or client, or as otherwise permitted by law. We may share this information between the Trustee and Skylight as related companies. The BUSSQ Privacy Statement is available at bussq.com.au and the Skylight Privacy Statement is available at skylight.com.au.

Link Advice and AAS are subject to the Link Group Privacy Policy, a copy of which is available at www.linkgroup.com/docs/Link_Group_Privacy_Policy.pdf

WHAT RELATIONSHIPS OR ASSOCIATIONS MAY INFLUENCE THE ADVICE GIVEN TO ME?

Link Advice representatives may be members of BUSSQ. BUSSQ and Skylight Directors and representatives may be members of the BUSSQ Fund. BUSSQ and Skylight Directors may hold directorships in funds in which BUSSQ invests. BUSSQ is an investor in Members Equity. Master Builders Queensland Insurance Services, which is owned by Master Builders Queensland, arrange certain insurances on behalf of the Trustee. BUSSQ uses OnePath (a company of ANZ) for the provision of Group Life Cover.

BUSSQ makes available a Clearing House to its employers and utilises SCH Online. SCH Online is a non-cash payment product issued by Pacific Custodians Pty Limited (ABN 66 009 682 866, AFSL 295142)(Pacific Custodians) and operated by The Superannuation Clearing House Pty Limited (ABN 15 086 576 721)(TSCH).

Pacific Custodians, TSCH, Link Advice and AAS are all related bodies corporate and members of the Link Group of companies. For more information about the Link Group, please visit: linkgroup.com. BUSSQ has no association or relationship with any other product issuer and does not receive any benefit from any relationship that could influence the providing of advice.

WHAT IF I AM NOT HAPPY WITH THE FINANCIAL SERVICES PROVIDED?

For all complaints you should initially contact the Complaints Officer at BUSSQ, Skylight or AAS. You can do this by telephone, post, fax or email. We will consider your complaint and will usually respond within 30 days. We will make all reasonable efforts to resolve your complaint quickly and fairly.

If we don't respond within 90 days or you are not satisfied with the way your complaint is handled, or with the resolution, you may contact the Australian Financial Complaints Authority (AFCA). AFCA provides a fair and independent financial services complaint resolution service that is free to consumers. AFCA may be able to help resolve your complaints, but only after you have made a complaint to BUSSQ. To find out whether your complaint can be handled by AFCA, and the type of information you would need to provide them with, please contact them at:

WEB	www.afca.org.au
EMAIL	info@afca.org.au
PHONE	1800 931 678 (free call)

POSTAL ADDRESS
Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

There are some time limits for lodging certain complaints. This includes complaints about the payment of a death benefit, which you must lodge with AFCA within 28 days of being given our written decision.

WHO IS RESPONSIBLE FOR THE ADVICE GIVEN TO ME?

Link Advice is responsible for advice given to you by AAS representatives, BUSS (Queensland) Pty Ltd is responsible for the advice given to you by BUSSQ, and Skylight Financial Solutions Pty Ltd is responsible for advice given to you by Skylight. You may be provided with written material or communications including emails, which may contain general advice and the entity that prepared that written material is responsible for that advice. All contact with the BUSSQ telephone contact centre will be with an AAS representative. If you are referred for personal advice on that call this will be provided by a Skylight representative, on behalf of BUSSQ. The representative assisting you is a salaried employee who is authorised to give you general or personal advice. The representative will inform you under which category they operate in terms of their advice status.

WHO IS BUSSQ?

BUSSQ is a profit for members' industry superannuation fund. BUSS (Queensland) Pty Ltd is the Trustee of the Fund. The Fund is a regulated fund under Commonwealth legislation. As a result, the Fund is able to obtain taxation advantages and can accept Superannuation Guarantee (SG) Contributions. The Trustee holds an Australian Financial Services License which allows the Fund to provide superannuation advice to retail and wholesale clients.

BUSS (Queensland) offers these products:

- An authorised MySuper product
- A superannuation accumulation fund for choice members
- A Child Income Account
- A Transition to Retirement Income Account
- An account based Income Account
- A Term Allocated Pension.

BUSSQ Staff provide general advice on the above mentioned products. Personal Financial Advice to BUSSQ members is provided by Skylight Financial Solutions.

WHO CAN JOIN BUSSQ?

Anyone can join BUSSQ. This includes on site and off site workers, clerical workers, apprentices, professionals, spouses, family and friends, and working directors. You don't have to be connected to the building industry to join the fund.

ABOUT SKYLIGHT'S FINANCIAL PLANNERS

Our Planners and staff are salaried employees who are authorised to give you advice within the terms of our AFSL. Not all Skylight Financial Solutions representatives are authorised to provide advice in all of these products or services. They will advise you of what they are eligible to give advice on at the time.

Our employees and representatives receive a salary. They do not receive personal payments (hard or soft dollars) or commissions for the recommendation or sale of any products.

Skylight Financial Solutions does not pay any commissions to any third party whatsoever.

HOW DO I CONTACT BUSSQ?

WEB	bussq.com.au
EMAIL	super@bussq.com.au
PHONE	1800 MY BUSSQ (1800 69 2877)
MAIL	BUSSQ PO Box 1526 Milton QLD 4064
VISIT	BUSSQ 299 Coronation Drive, Milton QLD 4064

HOW DO I CONTACT SKYLIGHT?

WEB	skylight.com.au
PHONE	1800 SKYLIGHT (1800 759 544)
EMAIL	advice@skylight.com.au
MAIL	SKYLIGHT PO Box 1369 Milton QLD 4064
VISIT	SKYLIGHT 299 Coronation Drive Milton QLD 4064

HOW DO I CONTACT AAS?

WEB	aas.com.au
EMAIL	aasenquiries@aas.com.au
PHONE	02 8571 5000
FAX	02 8571 5555
VISIT	1A Homebush Bay Drive, Rhodes NSW 2138

HOW DO I CONTACT LINK ADVICE?

WEB	linkadvice.com.au
EMAIL	advice@linkadvice.com.au
PHONE	1300 734 007
MAIL	PO Box 240 Parramatta NSW 2124
VISIT	1A Homebush Bay Drive, Rhodes NSW 2138

BUSSQ CUSTOMER SERVICE

WEB bussq.com.au
PHONE 1800 MY BUSSQ (1800 69 2877)
EMAIL super@bussq.com.au
POSTAL ADDRESS PO Box 1526, Milton QLD 4064
OFFICE BUSSQ has offices in various locations.
For details, go to **bussq.com.au** and search ‘**visit us**’.
USI: BUS0002AU