

# Annual *report* 2019/20

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**club  
plus**  
SUPERANNUATION  
**YOUR CLUB FOR GOOD**





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Any advice in this document is of a general nature only and does not take into account your personal objectives, financial situation or needs. Prior to acting on any information in this document you should read the appropriate Product Disclosure Statement for any product you are considering, (available at [clubplussuper.com.au](http://clubplussuper.com.au) or by calling 1800 680 627) and seek independent financial advice around this if you are unsure. In the case of any inconsistency with the Club Plus Super trust deed, the trust deed will prevail.

# Year in *review*

**65,192**

Total Members



51%



49%

Gender Balance

**49**  
years

Average Age



**\$42,414**

Average Balance



## A snapshot of some of our services



**341,620**

Visits to our website



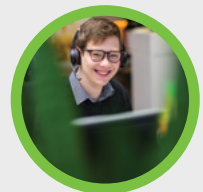
**2,141**

Live Chat sessions



**39,568**

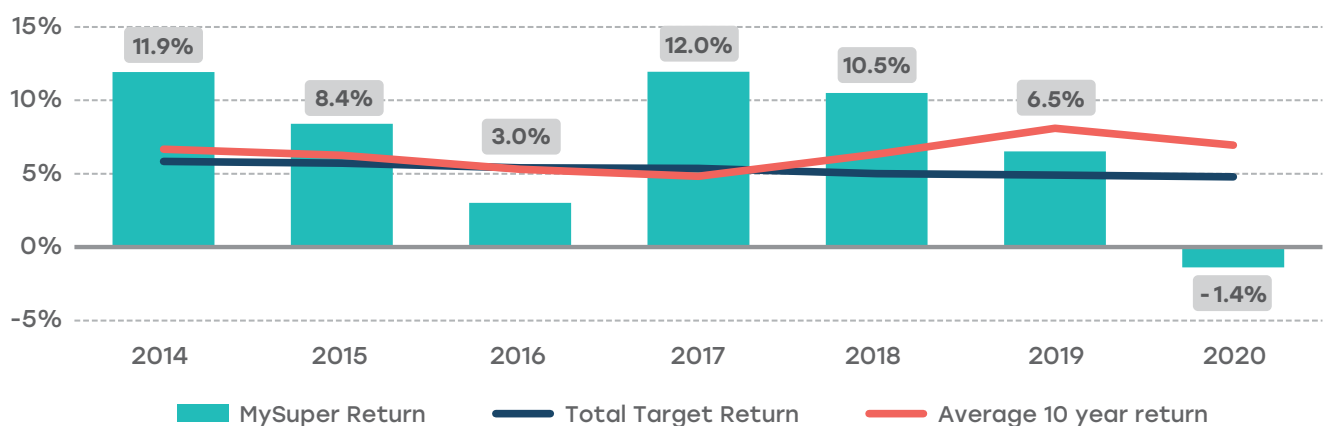
Calls received by  
our Contact Centre



**9,970**

Outbound calls

## Investment Performance (after all fees)



<sup>1</sup> The return is the average return over 10 years to 30 June 2020 after taxes, administration fees and investment fees for the MySuper option.

<sup>2</sup> Past performance is not necessarily an indication of future returns.



# A message from the Chair & CEO

We stand in solidarity with everyone impacted by the COVID-19 pandemic. So many have been touched professionally or personally by this devastating event. While the aftershocks are likely to continue for some time, we are confident that our ability to adapt, to be resilient and to support those in need will lead us to better times again.



## Super's 'moment of truth'

The events of 2020 were a 'moment of truth' for the super industry as the COVID-19 pandemic spread across the globe, rapidly changing life as we knew it. Through a year of incredible uncertainty and change, our focus remained steadfast on delivering the best possible outcomes for our members and providing the support they needed, now more than ever.

For many years the superannuation industry has been encouraging people to be more 'engaged' in their super. In 2020, we saw this happen in spades.

What began as volatile investment markets and concern over a health crisis quickly turned into a global pandemic that drove city lockdowns, business shut-downs, job losses and stand-downs. As a result, members took to their super to check their investments, understand their insurance coverage and, in some instances, access their money to help them get by.

Through this incredibly challenging time our role became more important than ever before. Our focus ranged from being highly active in managing

our members' investments and ensuring early release claims were paid swiftly, through to supporting massive spikes in member and employer enquiries as we transitioned our teams to remote-based working.

## Partnerships pulling together

Immediately following the announcement from the World Health Organisation declaring COVID-19 a pandemic, Club Plus Super implemented our Pandemic Crisis Plan moving our teams to remote-based working and set up frequent communication with all of our major service providers and stakeholders.

This ranged from redirecting our teams from their typical day jobs to support our members through phone calls, emails and web chats to establishing a daily investment positioning and liquidity management plan with our asset consultant to ensure that we were both able to meet any cash withdrawal requests as well as continue to implement our investment strategy.

The combination of well documented policies and procedures, a highly motivated and dynamic team and the ability to leverage leading providers in the

market across administration, investment advice, insurance provision and implementation allowed us to be there for our members when it mattered most. This resulted in relatively short call wait times, highly proactive communications and new digital initiatives such as webinars and video newsletters to ensure our members got timely information.

### **Based remotely, yet closer than ever**

In many respects the events of the past year have served to bring-forward a series of initiatives and digital transformation which was building now for some time. Importantly, while the virus has caused social distancing measures to keep us more apart physically, in many ways we have leveraged technology to become more connected than ever before. In this environment we've seen email open rates rise dramatically and big increases in interest in webinars and video calls.

In February 2021 we will be hosting Club Plus Super's first Annual Member Meeting virtually where members can hear directly from our leadership team with the opportunity to ask any questions. Our members do not have to wait until then. While our member services managers and leadership team are not able to travel to various venues to meet members at their place of work, we are very much available online to support and respond to any questions, concerns or needs.

### **Stewardship and good corporate citizenship**

The role of a super fund extends well beyond delivering competitive fees and strong investment returns. As our population ages and the volume of money invested in super continues to rise, so too will the impact, responsibility and influence which superannuation has on our economy, financial markets, environmental and social issues.

During the year we became a member of the Australian Council of Superannuation Investors Limited ('ACSI') alongside more than 30 other Australian and international investors (who collectively manage over \$2.2 trillion in assets) in order to leverage a strong collective voice on environmental, social and governance (ESG) issues on behalf of our members.

### **Team updates**

During the past year, Club Plus Super welcomed Julie Korlevska and Keith Gomes to the Board replacing Susan Weston and Philip Howard.

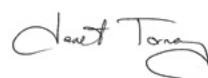
Ms Korlevska is also the current Deputy Director (People, Culture & Change) at the newly formed United Workers Union, overseeing significant change management associated with digital transformation within the industrial relations sector.

Mr Gomes is a governance specialist and club industry stalwart who brings deep knowledge of the club industry from more than a decade on the boards of ClubsNSW, Club Keno Holdings and a major Western Sydney Club. He has also held former senior executive roles at Oracle, KPMG, Optus, Singapore Telecom and IBM and is a fellow of the Australian Institute of Company Directors.

Club Plus Super also welcomed Carolyn Tait as our new Head of Member Experience replacing Beth Parkin. Carolyn has more than 20 years' experience in the financial services industry in senior roles leading marketing and consumer engagement. Club Plus Super has also recently established a new Head of Technology position reporting through to Chief Operating Officer David Barton.

On behalf of the board and executive team we want to sincerely thank Susan, Philip and Beth for their valued contribution to Club Plus Super.

We would like to extend our thanks and appreciation for the great work which our team (staff and directors) put in during the past year. While we hope the events of 2020 are never repeated, we are incredibly proud of the way our team rose to the challenges, delivered for our members and the way in which so many in our industry have rallied together to deliver support to those who have endured incredible hardship.



Janet Torney, Chair



Stefan Strano, CEO

# Strategy: your membership *matters*

While Club Plus Super members now represent all industries, our club and hospitality heritage continues to shape our strong service ethic. We understand how important it is to provide the highest standard of service and we respect the vital role local communities play in our members' lives.

## Driven by purpose

Our 'purpose' is our reason for existence. It describes who we are, what we do and importantly, why we do it. This purpose was established when Club Plus Super was formed back in 1987 and it stands true today, guiding and inspiring everything we do.

Club Plus Super's purpose is: "To support and enhance the journey of our members to retire on their own terms." While the financial services industry has long presented an image of 'successful retirement' being about driving expensive sports cars or sitting in yachts, we feel that the real purpose of superannuation is far broader than that and means something different to everyone.

To really understand what drives an organisation, it's helpful to know why it was established in the first place. In our case, Club Plus Super was formed by a determined group of people who wanted to ensure Australia's hard-working club and hospitality employees achieve the retirement they deserve. With a heritage in hospitality and community clubs, Club Plus Super's history is one of serving people who serve others – a discipline which has instilled in our values a priority on striving to provide a highly personal level of service.

## Bigger and better, trusted and respected

We believe that working more closely with our members and putting their best interests at the centre of our strategy will strengthen our fund as members become more financially

prepared for their future. While our vision is to 'become a bigger and growing fund', we are determined to do so while retaining the trust and respect of our members.

*Our ambition to grow is founded in a belief that with scale comes opportunity to deliver more to members – but that should never come at the cost of losing the ability to provide high-quality, meaningful, personal service.*

## Preparing for tomorrow

We are continuing to strengthen our strategic planning, governance and risk management frameworks to ensure we remain a sustainable fund that strives to deliver the greatest possible member outcomes into the future. By leveraging some of the leading external providers in the industry across investment management, asset consulting, administration, insurance and custody, we are able to leverage the latest technology and expertise across global capabilities while also having the flexibility to choose the 'best of breed' provider for our members.

Super has seen a huge amount of change during the past year and we believe there is far more to come. While the system has its challenges, ultimately those who can set aside money throughout their working life will benefit from having an income to live on above and beyond the age pension.

To support our members through this journey we have been developing our member experience, employer and business operations teams. We are also focussed on understanding our members better through enhanced data analytics, digital tools and simpler and more streamlined processes.



# A look back at 2019/20

## Government introduced changes

### Covid-19 and Early Release of Super

Superannuation helps people save for retirement. The government recognises that for those significantly financially affected by the Coronavirus, accessing some of their superannuation today may outweigh the benefits of maintaining those savings until retirement.

The government has allowed individuals affected by the Coronavirus to access up to \$10,000 of their superannuation in FY2019-20. A further amount up to \$10,000 can also be applied for in FY2020-21.

### Putting Members' Interests First

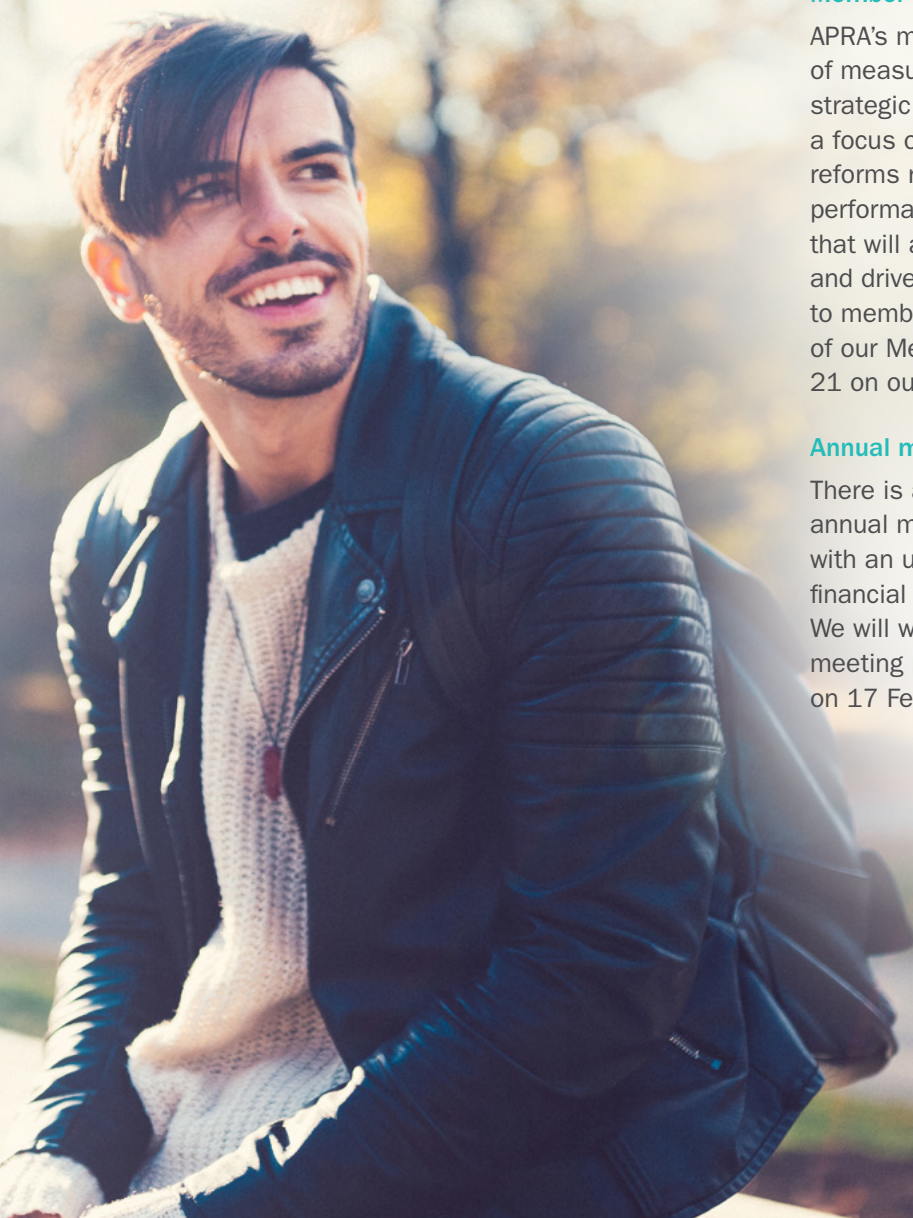
The government introduced the Putting Members' Interests First (PMIF) legislation which aimed to ensure members' benefits were not inappropriately eroded by insurance premiums. The new legislation means we can no longer provide opt-out insurance cover for new members if their super account balance has not reached \$6,000 or if they are under age 25. It also required us to cease cover for members that had a balance consistently below \$6,000 between 1 November 2019 and 1 April 2020. New and existing members affected by the change were given the option to opt-in for automatic cover.

### Member Outcomes

APRA's member outcomes reforms are a package of measures designed to strengthen trustee's strategic and business planning practices, with a focus on enhancing member outcomes. The reforms require us to conduct a review of our performance and to identify areas of improvement that will allow us to enhance business operations and drive sustainable delivery of quality outcomes to members. We will be publishing the outcomes of our Member Outcomes Assessment for 2020-21 on our website prior to 31 March 2021.

### Annual member meetings

There is a new legislative requirement to hold an annual member meeting to provide our members with an update on our performance for the financial year and plans for the year ahead. We will write to members with details of the meeting prior to the event which will be held on 17 February 2021.



# Member and employer *experience*

Despite the distraction created by COVID-19, we continued to focus on our member experience initiatives around communications and digital transformation.

During 2019/20, we implemented:

- more frequent and life stage segmented communications
- digital onboarding for new members
- increased use of video content, webinars and SMS campaigns
- data-targeted campaigns to improve member contact information

## Segmented 'life stage' connections

During the last financial year, we introduced a quarterly enewsletter, targeted member service emails and 'end-of-year highlights' communications. From previous research and feedback surveys, members told us they were interested in receiving life stage based information. Based on the engagement results we've seen so far, we're pleased to see members value the information we've been providing and we'll continue to adjust the content to ensure it remains relevant to their needs.

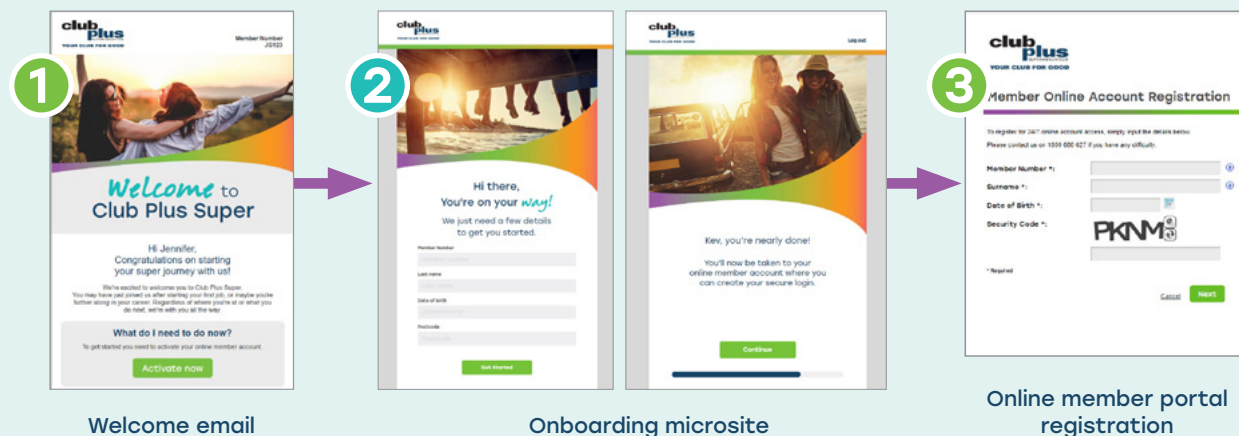
Whilst member education is the core objective of our communications, we also took the opportunity to inform employers about changes to super, particularly around Protecting Your Super (PYS) and Putting Members' Interests First (PMIF) insurance modifications and the direct impact on their employees' benefit cover. In addition, we produced interactive PDFs for employers to distribute to their staff to reinforce the support that is available from their dedicated member services managers. The employers and clubs used the content on their intranets and other internal digital message boards.

## Data integrity and targeted campaigns

In early 2020, we implemented several data cleanse initiatives including an ongoing update-your-details promotional campaign to obtain cleaner and more robust member records. An external provider was engaged to review our member data base and standardise our methods for data collection. This process has assisted with improving ways we can communicate more effectively with our members and ensure they're not missing out on important updates that could affect their financial future.

## Digital onboarding

The implementation of a digital onboarding process for members new to the fund is designed to provide a warm, personalised introduction to the fund along with a seamless validation of their personal contact details. For most, the onboarding process takes under four minutes to complete with dynamic emails prompting members to provide more information when necessary. The digital member journey is intended to replace the 'slow' paper based welcome packs and provide members with direct access to the online member portal, which is a valuable member feature.





## Adapting our ways of working during the COVID crisis

In response to the global coronavirus pandemic, our member communications increased significantly as we tailored content to respond to member concerns around sharemarket volatility and super legislative changes announced by the federal government.

With more than three times the usual volume of inbound calls during the early period of the COVID crisis, we pivoted some of our staff to respond to much higher volumes of member emails and web chat enquiries. In addition, our member services managers made themselves available to escalate the more difficult and complex Contact Centre member interactions.

As face-to-face visits were severely restricted by lockdowns and social distancing measures, we increased video content in all communications and added a dedicated Covid-19 update page on the website. Our regular member seminars were replaced by webinars and virtual meetings became the new normal for the service and advice teams.

### Increased member engagement

Since we've introduced our regular enewsletter and targeted communication campaigns, our member portal registrations and logins have

increased significantly. The added uncertainty surrounding Covid-19 has escalated member's interest in their super and coincidentally, we've experienced an increase in the number of visitors to our website.

### New ways of working

With more than three times the usual volume of inbound calls during the COVID crisis, our member service specialists responded to the challenges of transitioning from working in the office to working from home.

Whilst our member services managers were off the road, our VIP specialist continued to offer an alternative channel of support as a dedicated resource for our smaller employers.

As restrictions ease and venues are more comfortable with visitations, our member services managers will continue to support our employers and their staff where possible while evolving our digital offering. The subsequent rollout of webinars and increasing use of SMS and virtual appointments will continue as the new way of reaching members, employers and prospective new members to Club Plus Super.



**3**  
times  
the usual  
volume of  
inbound calls

**4**  
times  
the number  
of visitors  
to our website



**2**  
times  
the amount of  
logons to our  
member portal

**90%**  
↑  
in digital  
member  
communications





# Investments: A year of two halves

The first half, from July 2019 into early this year, saw strong returns from global share markets and other growth assets. These returns were spurred on by central banks cutting rates to help avoid a recession and a break in the US/China trade tensions.

US shares were up over 10%, while in Australia, devastating drought and bushfires weighed on markets in December. This resulted in our sharemarket delivering a more subdued return of 3.3% for this six-month period. In this environment, the MySuper option was up 3.5% for the first half of the financial year – a strong half-year result.

The second half of the year started well for global markets with some reaching all-time highs. But this started to unravel in February, when the coronavirus that started as a problem in China, spread quickly around the world and the death toll rose dramatically.

## **After an initial plunge global sharemarkets rallied**

The widespread lockdown of countries, put in place to try to contain the pandemic, has had huge social and economic impacts for global markets.

Sharemarkets initially reacted harshly – some plunging as much as 35% between 20 February - 2 March, dragging down commodity prices and the Australian dollar.

The swift intervention of governments around the world in the form of huge stimulus packages, together with a decline in new COVID cases, the easing of lockdown restrictions, and a rebound in economic data over the next few months, substantially lifted investor optimism and sharemarkets rallied significantly.

## **Global shares rallied, but not enough**

From the March lows, global shares rose 40%, domestic shares rose 35% and commodity prices and the Australian dollar also rebounded. But this was not enough to claw back the losses made in March.

For the second half of the financial year US shares were down 3% and Australian shares were down around 10%.

This result saw two very different halves in market performance over the 2019-2020 financial year, as shown on the next page.



## A year of two halves



Investments can go up and down. Past performance is not necessarily indicative of future performance and returns are not guaranteed. Source: FactSet and the Fund's custodian.

<sup>1</sup> S&P/ASX 300 Accumulation Index <sup>2</sup> S&P 500 Total Return Index <sup>3</sup> MSCI World Index – net return in AUD

<sup>4</sup> Club Plus Super MySuper option. Performance is after investment fees and taxes, but before the deduction of administration fees.

## We protected your super from further downside with active management and diversification

In this environment, the MySuper option was down -4.4% but diversification protected it from the extremes of the market crash. Over the full year, the MySuper option has had a small negative return of -1.0%.

While this is a negative return to members, it is a solid result for MySuper given the wild ride in markets caused by the impacts of the unprecedented global pandemic.

To put it into perspective, during the global financial crisis in 2008 and 2009, the return for the financial year for the median default option was -12.5%.\*

## Strong, long-term performance over 10 years

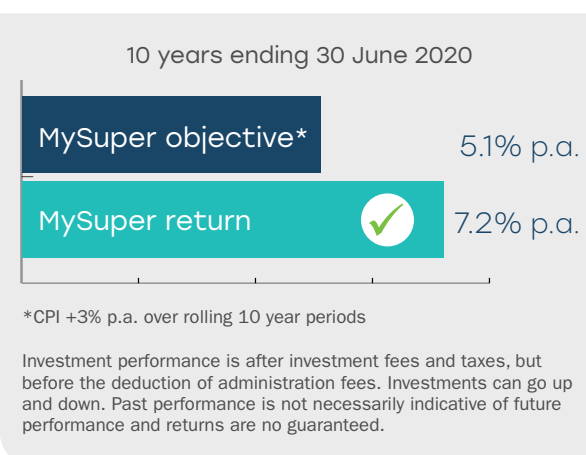
Super is a long-term investment, so financial year returns by themselves are almost irrelevant in the big picture.

Club Plus Super continues to be well placed to deliver significant returns into the future.

The long-term returns of the MySuper option remains strong with the 10-year period ending 30 June 2020 returning 7.2% p.a.

Interestingly, compounding at a rate of 7.2% over 10 years would have seen a member's super balance double over the period, and this doesn't include any contributions along the way.

## Strong long-term returns



For other investment options returns and performance refer to page 13.

\*SuperRatings Credit Rate Survey 30 June 2009, accessed via SMART 23 July 2020.



## Important lessons about long-term investing from the last 12 months

- 1** A well-diversified portfolio can protect members from wild market swings.
- 2** **Don't jump at shadows** – when it comes to investing, ignore the headlines and all the short-term noise and remember that super is a long-term investment.
- 3** Again, history has shown us that **markets rebound from seemingly dire events** that rattle investor confidence – however there could be further market corrections ahead.

For more important lessons from the last 12 months, watch the investment update video on our website.

## Where to from here?

No one really knows how long the pandemic will take to get under control around the world or what the true lasting impact on the global economy will be.

On the one hand, there have been encouraging developments in containing the virus and in creating a vaccine. However, in some countries the number of new cases continues to rise and in others new outbreaks are occurring, like in NSW and Victoria.

While there is this uncertainty around the pandemic, market volatility is likely to remain elevated. We are also yet to see the full collateral damage it has caused in terms of corporate failures, high unemployment and weak growth and these are expected to weigh on the economy in the months and years ahead.

Looming in the background are rising tensions between the US and China, as well as social unrest and a rapidly approaching US election in November.

### Keep calm and follow your goals

The best thing members can do amid all this uncertainty is for Club Plus Super to actively manage your super. We draw on some of the world's best investment managers and have an experienced asset consultant to help them do this. We will continue to closely follow global developments and will make investment decisions based on strong research and a very disciplined investment process.



The tables represent the compound average effective rate of net earnings of each of the fund's investment options as at 30 June 2020.

#### Club Plus Super Accumulation (as at 30 June 2020)

Investment options	10 years	5 years	3 years	1 year
Cash	2.8%	2.0%	1.6%	1.1%
Conservative Balanced	5.3%	4.3%	3.4%	0.0%
MySuper/Balanced	7.2%	6.3%	5.4%	-1.0%
Growth	7.6%	6.8%	5.8%	-1.5%
High Growth	8.5%	7.6%	6.4%	-2.1%
Australian Shares	6.9%	6.4%	4.4%	-8.6%
International Shares	N/A*	7.8%	8.8%	3.2%

#### Club Plus Pension (as at 30 June 2020)

Investment options	10 years	5 years	3 years	1 year
Cash	3.2%	2.3%	1.9%	1.3%
Conservative Balanced	5.9%	4.8%	3.8%	0.1%
Balanced	8.0%	7.0%	5.9%	-1.2%
Growth	8.5%	7.5%	6.4%	-1.6%
Australian Shares	7.8%	7.3%	5.4%	-9.3%

#### Club Plus TTR Pension (as at 30 June 2020)

Investment options	10 years	5 years	3 years	1 year
Cash	3.1%	2.1%	1.6%	1.1%
Conservative Balanced	5.8%	4.6%	3.4%	0.0%
Balanced	7.9%	6.7%	5.4%	-1.0%
Growth	8.4%	7.2%	5.8%	-1.5%
Australian Shares	6.9%	6.4%	4.4%	-8.6%
International Shares	N/A*	8.1%	8.8%	3.2%

\* History unavailable as the investment option commenced on 14 July 2014.

#### Important information about investment returns

Past performance is not a reliable indicator of future performance. Unless otherwise stated returns are net of investment fees and taxes (where applicable), but before the deduction of administration fees. The earnings applied to members' accounts may differ. Investment returns are at the investment option level and are reflected in the unit prices for those options. Prior to 20 March 2017 annualised returns represented the annual crediting rates that were determined in August each year. Daily unit prices are available at [clubplussuper.com.au/investments](http://clubplussuper.com.au/investments).

## Default investments

In the Industry Division, if a member has not made an investment choice, their investment with Club Plus Super will be invested in the MySuper option. For Personal Division members, an investment choice is required.

## Investments that exceed 5% of the Fund's assets

The Trustee is required to disclose whether any individual investment (such as shares in a company) exceed 5% of the Fund's assets. At 30 June 2020, no individual asset held by the investment managers who invest on behalf of Club Plus Super exceeded 5% of the total assets of the Fund.

## Derivatives

Investment managers engaged to invest the assets of Club Plus Super (other than the Fund currency manager) are permitted to use derivatives for hedging purposes only but not as a core investment asset.

## Comparison of investment options

Pages 15-17 of the Annual Report allow members to compare each of the investment options available to Club Plus Super members.

We have provided a guide as to what option may suit members as well as outlining the investment objective and asset allocation for each of the options.

## Investment managers

### Australian Shares

DNR  
Perpetual  
Solaris  
Tribeca  
Vinva

### International Shares

Antipodes  
Blackrock  
Janus Henderson  
Ninety One  
Paradice  
NAB Currency

### Direct Property

Charter Hall  
ISPT  
Lend Lease

### Infrastructure

ICG  
IFM

### Growth Alternatives

Bentham  
Kayne Anderson  
QIC  
NAB Currency  
Resolution Life

### Defensive Alternatives

Kapstream  
Wellington

### Australian Bonds

UBS  
Janus Henderson  
Super Loans Trust

### International Bonds

PIMCO

### Cash Enhanced

Janus Henderson  
Internal

### Cash

ANZ

As at 30 June 2020



## Investment options

### MySuper/Balanced

This option is designed for members with a medium to long-term investment horizon (five years or more) who are seeking a steady rate of returns and can tolerate potential moderate to high levels of short-term volatility.

#### Investment objective

CPI + 3% p.a. over rolling 10-year periods.

#### Suggested investment timeframe

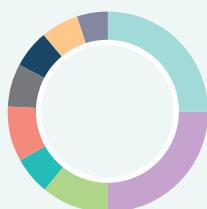
Minimum five years

#### Risk level for the time invested

Short term	Medium term	Long term
High	Medium	Low

A negative annual return is expected between four and less than six out of every 20 years.

#### Strategic asset allocation



Australian Shares	25%	(10-40%)
International Shares	25%	(10-40%)
Direct Property	11%	(0-20%)
Infrastructure	6%	(0-20%)
Growth Alternatives	9%	(0-20%)
<b>Total growth assets</b>	<b>76%</b>	<b>(60-85%)</b>
Defensive Alternatives	7%	(0-20%)
Australian Bonds	6%	(0-15%)
International Bonds	6%	(0-20%)
Cash Enhanced	5%	(0-30%)
<b>Total defensive assets</b>	<b>24%</b>	<b>(15-40%)</b>

### Conservative Balanced

The Conservative Balanced option is designed for members with a short to medium investment horizon (three years plus) who are seeking low to medium levels of consistent return and are sensitive to short-term volatility.

#### Investment objective

CPI + 1.5% p.a. over rolling 10-year periods.

#### Suggested investment timeframe

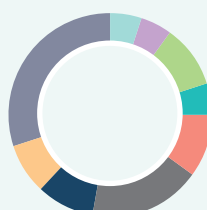
Minimum three years

#### Risk level for the time invested

Short term	Medium term	Long term
Medium	Low to medium	Very low

A negative annual return is expected between two and less than three out of every 20 years.

#### Strategic asset allocation



Australian Shares	5%	(0-25%)
International Shares	5%	(0-20%)
Direct Property	10%	(0-20%)
Infrastructure	5%	(0-15%)
Growth Alternatives	10%	(0-20%)
<b>Total growth assets</b>	<b>35%</b>	<b>(20-50%)</b>
Defensive Alternatives	18%	(0-25%)
Australian Bonds	9%	(0-30%)
International Bonds	8%	(0-20%)
Cash Enhanced	30%	(0-50%)
<b>Total defensive assets</b>	<b>65%</b>	<b>(50-80%)</b>

The figures from pages 15-17 represent the Fund's Strategic Asset Allocation (SAA) for each specific investment option as at 30 June 2020. The SAA is assumed to remain unchanged throughout the year, however the actual asset allocation will vary over time and will be maintained within the benchmark ranges.



## Growth

The Growth option is designed for members with a long-term investment horizon (seven years or more) who are seeking high levels of return and can tolerate potential high levels of short-term volatility.

### Investment objective

CPI + 3.5% p.a. over rolling 10-year periods.

### Suggested investment timeframe

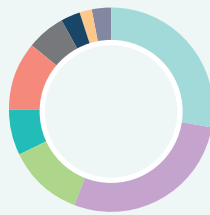
Minimum 10 years

### Risk level for the time invested

Short term	Medium term	Long term
High	Medium	Low

A negative annual return is expected between four and less than six out of every 20 years.

### Strategic asset allocation



Australian Shares	28%	(15-40%)
International Shares	28%	(15-40%)
Direct Property	12%	(0-20%)
Infrastructure	7%	(0-20%)
Growth Alternatives	11%	(0-20%)
<b>Total growth assets</b>	<b>86%</b>	<b>(75-95%)</b>
Defensive Alternatives	6%	(0-20%)
Australian Bonds	3%	(0-15%)
International Bonds	2%	(0-15%)
Cash Enhanced	3%	(0-25%)
<b>Total defensive assets</b>	<b>14%</b>	<b>(5-25%)</b>

## High Growth

The High Growth option is designed for members with a long-term investment horizon (10 years or more) who are seeking equity-like returns and can tolerate potential very high levels of short-term volatility.

### Investment objective

CPI + 4% p.a. over rolling 10-year periods.

### Suggested investment timeframe

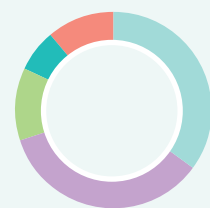
Minimum 10 years

### Risk level for the time invested

Short term	Medium term	Long term
High	Medium to high	Low

A negative annual return is expected between four and less than six out of every 20 years.

### Strategic asset allocation



Australian Shares	35%	(25-45%)
International Shares	35%	(25-45%)
Direct Property	12%	(0-20%)
Infrastructure	7%	(0-20%)
Growth Alternatives	11%	(0-20%)
<b>Total growth assets</b>	<b>100%</b>	<b>(90-100%)</b>
Defensive Alternatives	0%	(0%)
Australian Bonds	0%	(0%)
International Bonds	0%	(0%)
Cash Enhanced	0%	(0-10%)
<b>Total defensive assets</b>	<b>0%</b>	<b>(0-10%)</b>

**Note:** The High Growth option is not available for Pension or TTR Pension accounts.





## Cash

The Cash option is designed for members with a short investment horizon (three years or less), who are seeking cash-like returns. This exposure is currently gained via an ANZ bank account.

### Investment objective

To outperform Bloomberg AusBond Bank Bill Index over rolling 10-year periods.

### Suggested investment timeframe

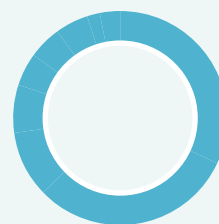
Any

### Risk level for the time invested

Short term	Medium term	Long term
Very low	Low	Low to medium

A negative annual return is expected less than 0.5 out of every 20 years.

### Strategic asset allocation



● Cash 100%

## Australian Shares

The Australian Shares option is designed for members with a long-term investment horizon (10 years or more) who are seeking Australian equity returns and can tolerate potential very high levels of short-term volatility.

### Investment objective

Outperform the return of the S&P/ASX 300 Index, after tax and investment manager fees over rolling 10-year periods.

### Suggested investment timeframe

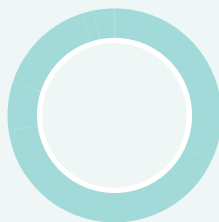
Minimum 10 years

### Risk level for the time invested

Short term	Medium term	Long term
High	Medium to high	Low to medium

A negative annual return is expected between four and less than six out of every 20 years.

### Strategic asset allocation



● Australian Shares 100%

## International Shares

The International Shares option is designed for members with a long-term investment horizon (10 years or more) who are seeking international equity returns and can tolerate very high levels of short-term volatility.

### Investment objective

Outperform the return of the MSCI AC World Ex-Australia Index, after tax and investment manager fees over rolling 10-year periods.

### Suggested investment timeframe

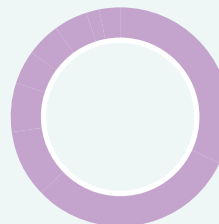
Minimum 10 years

### Risk level for the time invested

Short term	Medium term	Long term
Very high	Medium to high	Low to medium

A negative annual return is expected six or greater out of every 20 years.

### Strategic asset allocation



● International Shares 100%

**Note:** The International Shares option is not available for Pension accounts.

# Corporate Trustee

Club Plus Super is managed on behalf of members by a corporate Trustee – Club Plus Superannuation Pty Limited (Club Plus Super)

## Corporate Trustee

Board members are appointed by the shareholders<sup>1</sup> of the Trustee.

The Chair and Deputy Chair of the Board as at 30 June 2020 are:

<b>Chair</b>	Janet Torney	<b>Deputy Chair</b>	Steve Whan
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<sup>1</sup> United Workers Union and ClubsNSW

At 30 June 2020, the Directors of Club Plus Super were:

**Janet Torney**  
Chair



Janet was appointed as Chair on 29 May 2019 and joined the Board in October 2015. Janet had previously been Chair and Deputy Chair of the Board.

Janet has strong experience in governance, strategy, risk management, investments and member-based organisations and is Chair of Whitehelm Capital, a member of the Audit and Compliance Committee of Australian Re-insurance Pool Corporation. Janet also serves as a non-executive director of Girl Guides Australia and the Australian Cricketers' Association and is a former CEO of Qantas Superannuation.

**Wayne Krelle**  
Director



Wayne has served the Board since 2005 and has 25 years' experience in the club industry.

During his time on the Club Plus Super Board, Wayne has held the positions of Chair and Deputy Chair. Wayne is a director of Club Plus Financial Planning.

Wayne has significant experience in the corporate world and was previously Deputy CEO of ClubsNSW.

**Jingmin Qian**  
Director



Jingmin joined the Board in May 2018, bringing her expertise in the property, infrastructure and resources sectors of Australia and Asia.

Jingmin previously held executive roles with L.E.K. Consulting, Boral Limited and Leighton Holdings. During that time, Jingmin also served as a member of the Reserve Bank of Australia's business liaison program.

Jingmin is currently a non-executive director of Abacus Property Group. She also advises Australian and global organisations on investment, strategic management and cross-cultural management.

**Keith Gomes**  
Director



Keith joined the Board in March 2020 and is a company director and corporate advisor with expertise in corporate governance, strategy, digital technologies, tech startups, highly regulated industries, community engagement and global business including Asia.

Keith is a non-executive director of ClubsNSW and Club Keno Holdings (a JV with Tabcorp) and a member of the club industry's Digital Advisory, Diversity & Inclusion committees. Previously Keith has been on several private, public sector and not-for-profit boards and advisory bodies.

## Club Plus Super service providers

### Administration

Australian Administration Services Pty Limited (AAS)

### Auditor and Tax Agent

Ernst & Young (EY)

### Bank

Westpac

### Custodian

JPMorgan Chase Bank, N.A. (Sydney Branch)

### Financial Advice

Club Plus Financial Planning Pty Limited

### Insurance

OnePath Life Limited (OnePath Life)

### Internal Auditor

KPMG

### Investment Consultant

JANA Investment Advisers Pty Limited

At 30 June 2020, the Directors of Club Plus Super were (cont.):

### Steve Whan

Deputy Chair



Steve joined the Board in July 2015 and was appointed Deputy Chair on 29 May 2019.

As a former NSW cabinet minister, Steve held the portfolios of Small Business, Primary Industries and Emergency Services. While in Opposition, Steve held the Gaming and Racing, Tourism, Hospitality and Police portfolios. He was also Member for Monaro and a member of the NSW Legislative Council.

Steve currently serves as CEO and Company Secretary of the National Irrigators Council.

### John Hawker

Director



John has served the Board since 1999 and has over 30 years' experience in the banking and finance sector.

During his time on the Club Plus Super Board, John has held the positions of Chair and Deputy Chair. John is a director of Club Plus Financial Planning.

John is currently an Officer of the United Workers Union.

### Nick Lucchinelli

Director



Nick joined the Board in August 2018. As a current director of Horton Advisory, Nick brings communications expertise to the Board, specialising in media relations and strategic communication.

Nick began his career as a journalist working with the ABC and AAP, reporting on politics and business. He recently worked at the Geneva-based Global Fund to Fight AIDS, tuberculosis and malaria, coordinating global communication efforts.

### Julie Korlevska

Director



Julie joined the Board in September 2019.

Julie commenced with the NSW Branch of United Voice in 2008 as an industrial officer and was the assistant branch secretary from April 2016 to November 2019.

Following the merger of United Voice and the National Union of Workers in November 2019, Julie was appointed Deputy Director, Office of the President of the United Workers Union.

Julie is also a national councillor for the United Workers Union. Prior to United Voice, Julie held an industrial relations role with the Collieries' Staff Division of APESMA (now Professionals Australia).



## Director and Committee Positions

Year ended 30 June 2020

Director	Appointed by	Board Member	People & Governance Committee	Investment Committee	Risk & Audit Committee	Member Experience Committee	Claims Sub-Committee
Janet Torney	ClubsNSW*	Chair	●	●			
Steve Whan	United Workers Union	Deputy Chair		Member 26/2/2020 - 30/6/2020		●	
Keith Gomes (appointed 16/3/2020)	ClubsNSW*	Director 16/3/2020 - 30/6/2020			Member 16/3/2020 - 30/6/2020	Member 16/3/2020 - 30/6/2020	
John Hawker	United Workers Union	●	●	Member 1/7/2019 - 26/2/2020	●	●	●
Wayne Krelle	ClubsNSW*	●	●		Member 18/12/2019 - 30/6/2020	Member 1/7/2019 - 17/12/2019	●
Philip Howard (resigned 17/12/2019)	ClubsNSW*	Director 1/7/2019 - 17/12/2019			Member 1/7/2019 - 17/12/2019	Member 1/7/2019 - 17/12/2019	
Jingmin Qian	ClubsNSW*	●		●	●		
Nick Lucchinelli	United Workers Union	●		●	Member 1/7/2019 - 17/12/2019		
Susan Weston (resigned 1/8/2019)	United Workers Union	Director 29/5/2019 - 1/8/2019					
Julie Korlevska (appointed 25/9/2019)	United Workers Union	Director 25/9/2019 - 30/6/2020	Member 25/9/2019 - 30/6/2020			Member 18/12/2019 - 30/6/2020	

\* Registered Clubs Association of NSW (ClubsNSW)

● Director - Full year

● Committee Member - Full year

● Committee Chair - Full year

# Club Plus Super *Accounts*

STATEMENT OF FINANCIAL POSITION	30 JUNE 2020 \$'000	30 JUNE 2019 \$'000
<b>ASSETS</b>		
Cash and cash equivalents	21,407	27,796
Receivables	416	626
Investments		
Cash and short term deposits	493,889	157,287
Interest bearing securities	365,055	405,975
Australian equities	553,629	914,625
International equities	513,698	679,844
Unit Trusts	718,633	660,479
Pooled superannuation trusts	55,147	57,177
Private equity	78,611	73,936
Derivative assets	383,548	263,560
Investment properties	10,200	10,500
Income tax receivable	-	4,226
Property, plant and equipment	344	299
Deferred tax assets	265	260
<b>TOTAL ASSETS</b>	<b>3,194,842</b>	<b>3,256,591</b>
<b>LIABILITIES</b>		
Payables	(2,968)	(4,765)
Income tax payable	(3,915)	-
Derivative liabilities	(367,156)	(266,511)
Deferred tax liabilities	(26,499)	(39,701)
<b>TOTAL LIABILITIES EXCLUDING MEMBER BENEFITS</b>	<b>(400,538)</b>	<b>(310,977)</b>
<b>NET ASSETS AVAILABLE FOR MEMBER BENEFITS</b>	<b>2,794,304</b>	<b>2,945,614</b>
<b>MEMBER BENEFITS</b>		
Allocated to members	(2,771,044)	(2,909,840)
Unallocated to members	(380)	(368)
Total member liabilities	(2,771,424)	(2,910,208)
<b>NET ASSETS</b>	<b>22,880</b>	<b>35,406</b>
<b>EQUITY</b>		
General Reserve	16,460	28,738
Operational Risk Reserve	6,420	6,668
<b>TOTAL EQUITY</b>	<b>22,880</b>	<b>35,406</b>

RESERVES FOR THE THREE YEARS TO 30 JUNE 2020	30 JUNE 2020 \$'000	30 JUNE 2019 \$'000	30 JUNE 2018 \$'000
Operational Risk Reserve	6,420	6,668	6,680
General Reserve	16,460	28,738	21,777

## Reserves

The Trustee maintains a General Reserve that provides funding to cover strategic initiatives approved by the Trustee for the benefit of members and to provide any other purposes that the Trustee deems appropriate.

The reserve amount is effectively maintained as part of the Trustee's Operating Cash Account.

<b>INCOME STATEMENT</b>	<b>30 JUNE 2020 \$'000</b>	<b>30 JUNE 2019 \$'000</b>
<b>SUPERANNUATION ACTIVITIES</b>		
Interest	3,456	7,451
Dividend revenue	33,180	51,832
Distributions from unit trusts	72,218	83,355
Changes in assets measured at fair value	(156,174)	46,749
Other investment income	3,761	4,077
Other income	411	582
<b>Total superannuation activities income</b>	<b>(43,148)</b>	<b>194,046</b>
Investment expenses	(9,489)	(7,790)
Administration expenses	(4,360)	(4,582)
Operating expenses	(10,686)	(10,043)
<b>Total expenses</b>	<b>(24,535)</b>	<b>(22,415)</b>
<b>Net result from superannuation activities</b>	<b>(67,683)</b>	<b>171,631</b>
<b>Profit from operating activities</b>	<b>(67,683)</b>	<b>171,631</b>
Less: Net benefits allocated to members' accounts	41,600	(164,708)
<b>PROFIT/(LOSS) BEFORE INCOME TAX</b>	<b>(26,083)</b>	<b>6,923</b>
Income tax expense/(benefit)	(13,557)	(27)
<b>PROFIT AFTER INCOME TAX</b>	<b>(12,526)</b>	<b>6,950</b>
<b>STATEMENT OF CHANGE IN MEMBER BENEFITS</b>	<b>30 JUNE 2020 \$'000</b>	<b>30 JUNE 2019 \$'000</b>
<b>Opening balance of member benefits</b>	<b>2,910,208</b>	<b>2,740,271</b>
<b>Contributions:</b>		
Employer	158,104	163,656
Member	24,707	24,315
Transfer from other superannuation plans	60,732	61,003
Government co-contributions	386	403
Income tax on contributions	(21,854)	(25,909)
<b>NET AFTER TAX CONTRIBUTIONS</b>	<b>222,075</b>	<b>223,468</b>
Benefits to members/beneficiaries	(308,417)	(203,418)
Insurance premiums charged to members' accounts	(17,101)	(19,658)
Death and disability insurance benefits credited to members' accounts	6,259	4,838
<b>Benefits allocated to members' accounts, comprising:</b>		
Net investment income	(31,069)	177,937
Administration fees	(10,531)	(13,230)
<b>CLOSING BALANCE OF MEMBER BENEFITS</b>	<b>2,771,424</b>	<b>2,910,208</b>

The above Statement of Financial Position, Income Statement and Statement of Changes in Member Benefits are extracts of the audited Financial Statements of the Fund for the year ended 30 June 2020. The full financial statements are available on our website [clubplussuper.com.au](http://clubplussuper.com.au).





## Other important *Information*

### **Superannuation surcharge**

Superannuation surcharges payable to the ATO will be deducted from applicable member accounts. If the Trustee receives an assessment after a member has left Club Plus Super, it will generally be forwarded to the fund to which they have transferred the benefit.

### **Compliance**

Club Plus Superannuation Scheme (the Fund) is a complying superannuation fund within the meaning of the Superannuation Industry (Supervision) Act 1993. Club Plus Superannuation Pty Limited (the Trustee) has not received any notice of non-compliance from the Regulator during the 2019-20 financial year.

### **Privacy**

Club Plus Super respects your right to privacy. Our Privacy Policy outlines how we and other organisations who we may contract to provide services to you, collect, store, use and disclose your personal information.

If you have any concerns about your privacy in the Fund, you can view the Privacy Policy at [clubplussuper.com.au/privacy-policy](http://clubplussuper.com.au/privacy-policy) or contact the Privacy Officer:

**Phone**

(02) 9376 9400

**Email**

[privacy@clubplussuper.com.au](mailto:privacy@clubplussuper.com.au)

**In writing**

The Privacy Officer, Club Plus Superannuation  
GPO Box 3774, Sydney NSW 2001

### **Indemnity insurance**

The Trustee has taken out comprehensive trustee liability insurance to protect its directors and management.

### **Dispute resolution**

If you are dissatisfied with any of our products or services, please contact us:

**Phone**

1800 680 627

**Email**

[member@clubplussuper.com.au](mailto:member@clubplussuper.com.au)

**In writing**

The Complaints Officer, Club Plus Superannuation  
Locked Bag 5007, Parramatta NSW 2124

We will attempt to resolve your complaint through the Fund's internal dispute resolution process.

If the matter is not resolved to your satisfaction, you may contact the following independent external dispute resolution scheme:

Australian Financial Complaints Authority (AFCA)

**Phone**

1800 931 678

**Email**

[info@afca.org.au](mailto:info@afca.org.au)

**In writing**

Australian Financial Complaints Authority  
GPO Box 3, Melbourne VIC 3001

**Web**

[www.afca.org.au](http://www.afca.org.au)

## Contact Us

Locked Bag 5007, Parramatta NSW 2124

Member Hotline: [1800 680 627](tel:1800680627)

Email: [member@clubplussuper.com.au](mailto:member@clubplussuper.com.au)

Web: [clubplussuper.com.au](http://clubplussuper.com.au)

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