

Product Disclosure Statement

AUSTRALIAN ETHICAL SUPER

1 OCTOBER 2024

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MySuper Authorised

Authorisation Number 49633667743656

Important...

This Product Disclosure Statement (PDS) has been prepared by Australian Ethical Superannuation Pty Ltd (ABN 43 079 259 733, RSE L0001441, AFSL 526055) (Trustee) which is the trustee of the Australian Ethical Retail Superannuation Fund (ABN 49 633 667 743, USI AET0100AU) ('the Fund' or 'Australian Ethical Super').

Australian Ethical Investment Ltd (ABN 47 003 188 930, AFSL 229949) ('Australian Ethical') arranges offers for the issue of interests in the Fund, pursuant to an arrangement between Australian Ethical and the Trustee. The Trustee issues interests in the Fund in accordance with such offers, where the offer is accepted. This PDS is an offer by Australian Ethical.

The information in this PDS is current at the time of preparation. However, information in this PDS is subject to change and may be updated by us from time to time. A copy of this PDS and updated information (if not materially adverse) can be obtained, free of charge, by going to australianethical.com.au/super/pds. We will give you advance written notice of any materially adverse changes. You can also request a free paper copy or electronic copy of any updated information by contacting us.

This PDS is a summary of the significant information you need to make a decision. It contains a number of references to important information that forms part of the PDS and is contained in the **Super Additional Information Booklet**, the **Pension Additional Information Booklet** (together referred to throughout this PDS as the **Additional Information Booklets**), the **Insurance Guide** and the **Guide to our Ethical Investment Process (Ethical Guide)**. The Additional Information Booklets, the Insurance Guide, the Ethical Guide and the Target Market Determinations (TMD) for each product can be found on our website at australianethical.com.au/super/pds or you can request a paper copy free of charge by contacting us. You should consider this important information before making your decision about the Fund. This offer is only available to persons receiving (including electronically) the PDS and other important information within Australia.

The information provided in the PDS is general information only and does not take account of your individual investment objectives, financial situation or needs. You should read and consider the PDS carefully and consider seeking advice from an authorised financial adviser before making any decisions.

The offer made in this PDS is made only to persons receiving this PDS in Australia (electronically or otherwise).

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1 About Australian Ethical Super

Australian Ethical Super is an Australian Prudential Regulation Authority (APRA) regulated public offer fund. Australian Ethical is the investment manager for the Fund. Australian Ethical is a publicly-listed funds management company, which has a long history of actively seeking out investments that are positive for society and the environment, and restricting investments in, what we consider, harmful activities. Since pioneering ethical investment in Australia in 1986, Australian Ethical has grown to manage superannuation and investments for more than 134,000 investors. The Trustee of the Fund is a wholly owned subsidiary of Australian Ethical.

Ethical investment is our business

The Australian Ethical Charter, unchanged since 1986, forms part of our constitution and not only guides Australian Ethical's investment choices, but underpins our own business practices. Further information on our ethical investment style and ethical investment criteria is available in the **Ethical Guide** which can be found at australianethical.com.au/super/pds-forms/.

Australian Ethical strives to be a leader among ethical and responsible funds.

Australian Ethical is a signatory to the Principles for Responsible Investment (PRI) (www.unpri.org), which are a voluntary and aspirational set of investment principles that offer a menu of possible actions for incorporating environmental, social and governance issues into investment practice.

Australian Ethical Super's investment options have achieved certification by the Responsible Investment Association of Australasia (RIAA).

Australian Ethical is one of the founding B Corporations in Australia and in 2014 became the first company listed on the ASX to receive B Corporation certification.

Australian Ethical believes it's important for businesses to play a leadership role in making the world a better place, not just to make profit. That's why Australian Ethical sets aside 10% of its after-tax profits (before bonus expense) every year to put back into the community through Australian Ethical's registered charity, the Australian Ethical Foundation Limited (ABN 14 607 166 503). This initiative provides financial support to not-for-profit and social impact organisations that contribute to humanitarian, environmental and animal welfare efforts in Australia and overseas.

MySuper

The Trustee has been authorised by APRA to offer a MySuper product. MySuper is a Government legislated default superannuation arrangement that must meet minimum standards in relation to default insurance, investment strategy, and fees.

Employers must pay Superannuation Guarantee contributions for employees who are receiving contributions for the first time and who have not made a choice of fund into an authorised MySuper product.

A Product Dashboard for our MySuper product, the Balanced (accumulation) investment option, is provided at australianethical.com.au/super/product-dashboards

The Product Dashboard contains information on the product's return target, historical performance, level of investment risk, and fees and costs.

Further information

In addition to the MySuper authorised Balanced (accumulation) option offered in the accumulation division of the Fund, we offer 6 investment options with different risk and investment objectives. The pension division of our Fund offers 6 investment options. It does not offer the High Growth option. Please refer to the Super and Pension Additional Information Booklets for more information about these.

Information about the governance of the Fund, the Trustee and executive remuneration for the Fund and any other documents that must be disclosed in accordance with superannuation law, is available on our website at australianethical.com.au/super/governance/

2 How super works

You should read... the important information about your super account and the way superannuation operates before making a decision. Go to Section 1 of the Additional Information Booklet. The material relating to your super account and the way superannuation operates may change between the time when you read this PDS and the day when you acquire the product.

Superannuation (**super**) is a long-term investment and tax effective way to save for your retirement which is in part, compulsory. For many Australians, super will be their main source of retirement income. The Government provides tax concessions and other benefits. There are limitations/caps on contributions to, and withdrawals from super, which are explained below.

Contributions to super

There are different types of contributions available to a person (for example, employer contributions, voluntary or personal contributions, and government co-contributions). Generally, your employer must make regular compulsory contributions to your super fund, known as Superannuation Guarantee contributions.

Most people can choose the super fund where their employer puts their super contributions.

For new employment arrangements entered into from 1 November 2021, the super account that is receiving your Superannuation Guarantee contributions will be 'stapled' to you as you move through employment **unless you choose otherwise**. If you are receiving contributions for the first time, unless you make a choice, they will be placed in your employer's default fund which must be a MySuper option.



SUSTAINABLE PLUS
— CERTIFIED BY RIAA —

The Certification Symbol is issued by Responsible Investment Association Australasia (RIAA) ACN (641 046 666), AFSL (554110) and signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations and that the Fund adheres to the operational and disclosure practices required under the Responsible Investment Certification Program for the category of Product. The classification signifies the degree to which sustainability is a consideration and binding investment criteria. The Fund is assessed against RIAA's Responsible Investment Standard and Assessment Note-Sustainability Classifications. There may be material differences between the definition and methodology of RIAA's classification system and the way the terms 'Sustainable Plus' are used by the product in its own disclosures. For detailed information about RIAA, the Symbol and the Fund's methodology, performance, stock holdings, remuneration and details about other responsible investment products certified by RIAA, refer to www.responsibleinvestments.com.au and our Financial Services Guide.¹

1. The Responsible Investment Certification Program provides general advice only and does not take into account any person's objectives, financial situation, or needs. Neither the Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Because of this, you should consider your own objectives, financial situation and if the advice relates to the acquisition, or possible acquisition, of a particular financial product. Certifications are current for 24 months and subject to change at any time.

You can also make additional voluntary contributions to your super, up to certain limits (caps) provided you are under age 75. Making additional contributions, even small amounts, can be an effective way to grow your super balance over time. You can make additional contributions by:

- salary sacrificing – asking your employer to deduct money from your pay before tax is deducted. These contributions will count towards your concessional contributions cap
- making personal contributions from your own savings or after-tax earnings. These contributions will count towards your non-concessional contributions cap
- making personal contributions from your before-tax earnings (subject to eligibility). These contributions will count towards your concessional contributions cap.

When you make additional personal contributions, in certain cases you may also be entitled to a co-contribution from the Government.

Annual limits (caps) apply to the amount of contributions that can be paid into your super fund – both from your employer and personally. There may be tax considerations associated with making contributions and exceeding contribution caps. Further information about these contribution caps is provided in the **Super Additional Information Booklet**. Please visit australianethical.com.au/super/pds

Contributions you make will be allocated to your account within the super accumulation division of the Fund. When you have retired, or you are transitioning to retirement, you can roll your benefits to the Fund's pension division. Additional contributions cannot be made to your pension division account after the commencement of your pension. Further information on starting a pension can be found in the **Pension Additional Information Booklet**.

3 Benefits of investing with Australian Ethical Super

You should read... the important information about the benefits of investing with Australian Ethical Super before making a decision. Go to Section 2 of the Additional Information Booklets and our **Ethical Guide**. The material relating to the benefits of investing with Australian Ethical Super may change between the time when you read this PDS and the day when you acquire the product.

Our ethical evaluation process

Australian Ethical believes in the transformative power of money to achieve both positive social and environmental outcomes. We seek out investments which provide for and support the ethical principles set out in the Australian Ethical Charter. These principles guide our examination of whether companies and other investments are part of a path to a better future for people, animals and the environment.

We interpret and apply these principles using our more detailed criteria (Ethical Criteria) outlined in the **Ethical Guide**.

Our ethical evaluation process and Ethical Criteria are important because we implement the investment strategy for each investment option by targeting investments which are consistent with both our Ethical Criteria and the investment strategy and objectives of that investment option.

Our Ethical Criteria are a mix of prescriptive rules alongside more qualitative criteria which help us identify, measure and balance the most significant positive and negative impacts of companies, products, services and activities. We believe a company with positive products and services can remain an ethical investment even though it earns some revenue from a negative product or activity, or if its products and services are used by some in a

Combining your super

By combining the accounts you have with different super funds you can potentially save on fees. We can help find and transfer your other super into your Australian Ethical Super account when you join. This can be done in a number of ways:

- our Find My Super search is a free service we offer where we find your other super (by using your Tax File Number (TFN) to conduct a search on the ATO's SuperMatch service)
- alternatively, you can combine your super into your Australian Ethical Super account by requesting a rollover in the member portal.

We recommend you seek financial advice and consider any fees or loss of insurance benefits before combining your accounts from other funds.

Accessing your super

Super is intended to provide for your retirement and you usually cannot access your super until you reach your preservation age (between ages 55 and 60, depending on your date of birth) and permanently retire, cease an employment arrangement after turning 60, or turn 65.

However, there are some circumstances when you can withdraw your super earlier, such as in the case of severe financial hardship (subject to meeting relevant requirements).

When you retire, you can use your accumulated super to commence receiving a pension through Australian Ethical Super, and/or take a lump sum payment. You may also be able to commence a pension from your super benefits when you start to transition to retirement.

For more information about the rules and certain tax considerations applying to super contributions and on accessing your super, go to moneysmart.gov.au or refer to the **Super Additional Information Booklet**.

harmful way. Also, where a company makes a mistake, we don't automatically exclude it, but we assess whether the mistake indicates a systemic problem, and if the company has acted to fix the mistake and stop it happening again. When evaluating companies we look at benefits and harms from both what the company produces, and also from the way the company operates.

Communications – staying in touch with you

You can keep track of your super by logging in to our member portal at australianethical.com.au/client-login

We provide all the information that is material to the Fund on our website and in our annual report. If you have provided an email address to us, your member annual statement and other communications will be provided to you electronically or in your member portal. Important disclosures and significant changes that may affect your account will be communicated to you electronically (via email, SMS or other online channel) unless you have opted out of this communication method.

Features and benefits include:

- easy online application
- monitor your super and make changes to your account in your member portal
- insurance options to look after you and your family, with premiums paid from your super account
- ways for you and your employer to make contributions
- receive a pension in retirement, without the need to change your super fund
- variety of investment options to suit your risk profile
- assistance to find and combine your super.

4 Risks of super

Super, like all investments, carries risks. Different investment options may carry different levels of risk, depending on the assets that make up the option. For instance, assets that expect to deliver the highest long-term returns may also carry the highest level of short-term risk.

Australian Ethical Super invests in numerous types of assets, including Australian shares, international shares, property and fixed interest. These asset classes behave differently over time and inherently have different levels of risk. Shares, for example, tend to provide higher returns over the long term, but are susceptible to fall in value over the short term when compared to other asset classes. Fixed interest investments are less volatile over the short term, but tend to offer lower returns than shares over the long term.

The investment options offered by Australian Ethical Super each have a different mix of these asset classes. Some of our investment options only invest in shares while others invest across multiple asset classes.

The acceptable level of risk for each person will vary depending on a range of factors such as your age, investment timeframe, your risk tolerance and where other parts of your wealth are invested.

You should assess your personal circumstances and goals carefully before you choose an investment option.

When considering your investment in the Fund, it is important to understand that:

- the value of your investment will vary. It will go up and down depending on the market prices of the assets held by your investment option.
- returns for any investment option are not guaranteed and will vary.
- you may lose some or all of your money.
- future returns may differ from past returns.
- the amount of your future super savings (including contributions and returns) may not be enough to provide adequately for your retirement.
- superannuation laws may change in the future.
- in the event of extreme market volatility the Trustee reserves the right to suspend unit pricing on any or all investment options

5 How we invest your money

You should read... the important information about how we invest your money before making a decision. Go to Section 4 of the Additional Information Booklets and our **Ethical Guide**. The material relating to how we invest your money may change between the time when you read this PDS and the day when you acquire the product.

Australian Ethical Super offers members a range of investment options that consider the environment, social issues, ethical issues and labour standards in the investment process. This approach is central to the Fund and we believe it makes good investment sense over the long-term. Further information in relation to how these factors are incorporated into our ethical evaluation process can be found in the **Ethical Guide**.

MySuper option

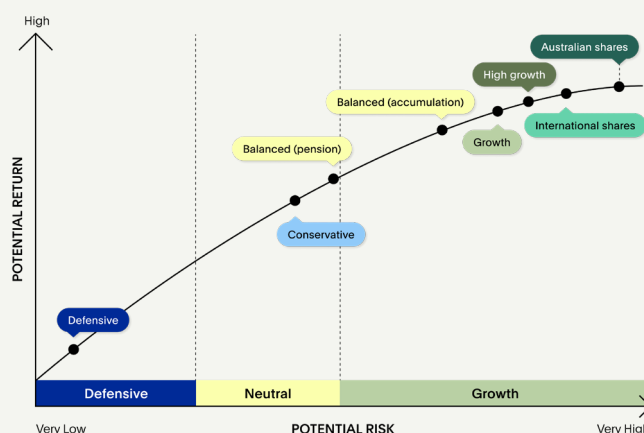
The Trustee has been authorised to offer the Balanced (accumulation) investment option as a MySuper product.

Choose your own investment strategy

You can choose to invest in one or more of the following investment options when you invest with Australian Ethical Super:

- Defensive
- Growth

- the level of risk, each person may be willing to accept will vary depending on a range of factors, including age, investment time frames, other investments held, and their risk tolerance.
- You should be aware that investing ethically and sustainably means that the investment universe will generally be more limited than non-ethical, non-sustainable portfolios in similar asset classes. This means that the investment option may not have exposure to specific assets which over or underperform over the investment cycle. It follows that the returns and volatility of the investment option may be higher or lower than its non-ethical non-sustainably invested peers over all investment timeframes.



This chart represents the potential risk and return characteristics of our super investment options. It is not a forecast of actual risk or returns. The scale is indicative only.

All investment strategies listed (except for the High Growth option) are available in the pension division of the Fund. Please refer to the **Pension Additional Information Booklet** for information.

Each of our investment options has a risk label that has been evaluated using the Standard Risk Measure. Please refer to section 4 of the Additional Information Booklet for further information.

- Conservative
- Balanced (accumulation)[#]
- Balanced (pension)^{*}
- High Growth[^]
- International Shares
- Australian Shares.

The portion of your investments held in the Balanced (accumulation) investment option will be considered as invested in the MySuper option. You can transfer your money between MySuper and any of the other investment options, or between the other options at any time by switching online in the member portal at australianethical.com.au/client-login

You can select your investment options when you join online and can change your options at any time once your account has been established and you have received your account number. You can switch options by logging into the member portal. A buy/sell spread applies to all changes of investment options for any funds in your account or for funds currently being processed. If you are commencing a pension and do not select an investment option, your account will be invested in the Conservative investment option.

The Trustee is able to add, close or change investment options. When this occurs, notice will be given to members.

Warning: When choosing a MySuper product or an investment option in which to invest, it is important to consider the likely investment objective, risk and your investment timeframe.

[#] This option is available in the accumulation and pension division (transition to retirement pension only)

^{*} This option is not available in the accumulation division

[^] This option is not available in the pension division

Balanced (accumulation) option - MySuper product

Investment return objective	The option aims to achieve returns 3.25% above inflation after investment fees and taxes over a 10 year period. ¹
Investors that the MySuper product may suit	Members comfortable with a medium to high level of risk that have an investment timeframe horizon of at least 8 years.
Recommended minimum investment timeframe	8 years
Risk level	Medium to high [#]
Performance and portfolio information	We may make changes to this option from time to time, including changes to the types of investments. We will notify members of any significant changes. You can also keep up-to-date with the option's unit price, performance and portfolio holdings through our website. Please refer to the Ethical Guide for more information about how we take into account certain labour standards, environmental, social and ethical considerations in our investment evaluation process.

Asset allocation

Growth 62.5-82.5%					Defensive 17.5-37.5%	
Asset type	Australian and New Zealand Shares [^]	International Shares	Alternatives	Property and Infrastructure	Fixed Interest	Cash and short term interest bearing securities
Ranges	17.5-37.5% [^]	17.5-37.5%	0-20%	0-17.5%	7.5-27.5%	0-20%
Target	27.5%	27.5%	10%	7.5%	17.5%	10%

¹ The measure of inflation is the Consumer Price Index (Trimmed mean) released by the Australian Bureau of Statistics on a quarterly basis

[#] Refer to section 4 of the Additional Information Booklets for the definition of the applicable standard risk measure.

[^] No more than 20% of the option's exposure to Australian and New Zealand shares will come from securities listed on the New Zealand stock exchange.

Refer to Section 4 of the Additional Information Booklets for further information on 'How we invest your money' and the other investment options that are available.

The asset allocation shown is a strategic asset allocation and the actual allocation may vary within an allowable range due to market movements, investments into or withdrawals from the option or changes in the nature of an investment.

6 Fees and costs

You should read... the important information about fees and costs before making a decision. Go to Section 5 of the **Super Additional Information Booklet** or the **Pension Additional Information Booklet**. The material relating to investment strategies may change between the time you read this PDS and the day when you acquire the product.

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website (www.moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity as a whole.

Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you. Entry and exit fees cannot be charged. If you receive personal financial advice from a licensed financial adviser, you may be charged a fee which would be outlined before any work is completed and is subject to your agreement.

Taxes, insurance fees and other costs relating to insurance are set out in other parts of this document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

The fees and other costs for the MySuper product and each investment option offered by Australian Ethical Super, are set out in section 5 of the **Super Additional Information Booklet**.

Fees and Costs summary

Balanced (accumulation) option: MySuper product

Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs¹³		
Administration fees and costs	Administration fees of: \$68 per annum	Dollar based fees are deducted from your account monthly.
	Plus 0.26% p.a. of your account balance.	Percentage administration fees are accrued daily and reflected in the unit price. The percentage administration fee you pay is calculated on your account balance.
Investment fees and costs ²	0.81% of assets p.a.	Investment fees are accrued daily and reflected in the unit price. Fees are calculated as a percentage of the daily net asset value of each option. The investment fee you pay will depend on the investment options you are invested in.
Transaction costs	0.03% of assets p.a.	Transaction costs are incurred when assets are bought or sold and are reflected in the unit price. These costs are not deducted directly from your account. Transaction costs are calculated at 30 June each year based on the previous 12 months.
Member activity related fees and costs		
Buy-sell spread	0.05%/0.05%	Applied to the unit price before processing each buy and sell transaction
Switching fee ⁴	Nil	N/A
Other fees and costs ⁵	Various	Other fees and costs such as insurance fees may apply.

1 If your account balance for a product offered by the Fund is less than \$6,000 at the end of the entity's income year, certain fees and costs charged to you in relation to administration and investment are capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.

2 Investment fees and costs includes an amount of 0.01% of performance fees. The calculation basis for this amount is set out under "Additional explanation of fees and costs" in the Additional Information Booklets. Investment fees and costs detailed in the Fees and Cost Summary include the Indirect Costs for the relevant Option.

3 The fees shown are current as at the date of this PDS and are subject to change. Further information and definitions of the fees can be found at australianethical.com.au/super/fees.

4 You may incur a buy-sell spread whenever units are bought or sold including by way of switching. However, you won't be charged a switching fee in addition to the buy-sell spread.

5 Other fees and costs such as activity fees and insurance fees may apply. See "Additional explanation of fees and costs" in Section 5 of the [Super Additional Information Booklet](#).

Example of annual fees and costs

This table gives an example of how the ongoing annual fees and costs for the MySuper investment option for this superannuation product can affect your superannuation investment over a one year period. You should use this table to compare this superannuation product with other superannuation products.

EXAMPLE – Balanced (accumulation) option: MySuper product

Balance of \$50,000

Administration fees and costs	\$68 p.a. Plus 0.26% p.a.	For every \$50,000 you have in the superannuation product, you will be charged or have deducted from your investment \$130 in administration fees and costs, plus \$68 regardless of your balance.
PLUS Investment fees and costs	0.81% p.a.	And , you will be charged or have deducted from your investment \$405 in investment fees and costs.
PLUS Transaction costs	0.03% p.a.	And , you will be charged or have deducted from your investment \$15 in transaction costs.
EQUALS Cost of product		If your balance was \$50,000 at the beginning of the year, then for that year you will be charged fees and costs of \$618 for the superannuation product.

Note: Additional fees and costs may apply – see Section 5 of the Additional Information Booklets. Exit fees do not apply.

Changes to fees and maximum allowable fees

All fees can change without your consent. Reasons might include changing economic conditions or changes in regulations. We will always give you at least 30 days' notice of any proposed fee increase.

More about fees and costs

Investment fees and buy-sell spreads differ between investment options.

You can use the Superannuation calculator at moneysmart.gov.au to calculate the effect of fees and costs on account balances.

7 How super is taxed

You should read... the important information about the taxation of superannuation before making a decision. Go to Section 6 of the **Super** and **Pension** Additional Information Booklets. The material relating to the taxation of superannuation may change between the time when you read this PDS and the day when you acquire the product.

The following summary tax information is based on the tax laws that were current when this PDS was issued. Refer to the Australian Taxation Office (ATO) website www.ato.gov.au/super for further details. We will pay the tax that applies to your account directly to

Type of contribution [#]	Tax on contributions
Concessional (Before-tax) All employer contributions (including super guarantee contributions and salary sacrifice contributions), and personal contributions claimed as a tax deduction.	15%* on amounts up to the concessional contributions cap (currently \$30,000 p.a. [#]) Amounts over these limits will be taxed at your marginal tax rate plus Medicare Levy if you choose to retain the excess in super. The excess will also count towards your non-concessional contributions cap.
Non-concessional (After-tax) Includes personal contributions (not claimed as a tax deduction), spouse contributions and government contributions.	No tax is payable on the amount up to the non-concessional contributions cap (first \$120,000 p.a. ^{#a}) Any amount over this limit will be taxed at the top marginal tax rate plus Medicare Levy if you choose to retain the excess in super.

[#] The tax rates and cap amounts shown above are applicable for the 2024/25 financial year and are subject to change.
^{*} Additional tax may be payable if your income exceeds the Division 293 threshold (currently \$250,000[#] - refer to section 6 of the Additional Information Booklet for further information).
^a Your non-concessional contributions cap may be nil if your total superannuation balance for the previous financial year exceeds the total superannuation balance cap (\$1.9 million[#]). You may also be able to exceed the cap in certain circumstances (refer to section 6 of the Additional Information Booklet for further information).

Taxation on investment earnings

Investment earnings on assets supporting accumulation accounts and transition to retirement pensions are generally taxed at a rate of up to 15%. In some cases, offsets and reduced capital gains tax amounts may reduce the effective tax rate. Taxes payable on investment earnings are deducted from the Fund's assets prior to calculating unit prices.

Earnings on investments supporting pensions / income streams (other than supporting transition to retirement pensions) are not taxed.

Tax on withdrawals

If you receive a payment from your account, you are generally taxed if you are aged less than 60. Currently, payments from your account are tax-free if you are aged 60 and above. Payments on your death may be subject to tax.

Tax File Number

Australian Ethical Super is authorised to collect, use and

the ATO and deduct this tax from your account balance. Taxation of superannuation is complex and subject to regulatory change. We recommend you seek professional advice.

Tax on contributions

Some contributions into the Fund are taxed. The tax treatment depends on the type and amount of the contribution. There are limits to the amount of before-tax (concessional) and after-tax (non-concessional) contributions that you can contribute to super in a financial year.
Warning: There will be taxation consequences if you exceed your super contribution caps.

disclose your Tax File Number (TFN) under the *Superannuation Industry (Supervision) Act 1993* (Cth) and unless you request otherwise in writing, may disclose your tax file number to another superannuation provider if your benefits are being transferred. However, you are not obligated to provide your TFN and declining to quote your TFN is not an offence.

Providing your TFN to us when you become a member of the Fund means:

- the Fund will be able to accept all permitted types of contributions to your account/s
- other than the tax that may ordinarily apply, you will not pay more tax than you need to. This affects both contributions to your superannuation and benefit payments when you start drawing down your superannuation benefits, and
- it will be easier to find different superannuation accounts in your name to ensure that you receive all your superannuation benefits when you retire.

8 Insurance in your super

You should read... the important information about both default and optional insurances before making a decision and to ensure the insurance is appropriate for you. Go to our Insurance Guide available at australianethical.com.au/super/insurance; or australianethical.com.au/cs/insurance if you're an ex-Christian Super member. The material relating to insurances may change between the time when you read this PDS and the day when you acquire the product.

The Trustee has an insurance policy in place with an insurer to offer the various types of group insurance cover.

Insurance is available and may provide members and their families with financial support if difficult times are encountered. It may help protect you and your family in the event that you die, become permanently disabled or terminally ill, or are temporarily unable to work due to illness or injury. It is only available to members in the accumulation division and is not available to pension members. The Trustee does not take any commissions or have any profit-sharing arrangements with the Insurer and any tax rebates received for premiums paid are put back into your super account.

There are different ways you can get insurance cover when you join us. You'll receive Default Cover ("age-based cover") automatically if you meet certain eligibility requirements, or you can choose to opt-in to Default Cover before meeting these conditions. You can also apply for Fixed Cover or Income Protection.

Default Cover

You will automatically receive Default Cover which is made up of Death (including terminal illness) and Total and Permanent Disablement (TPD) insurance if you meet certain eligibility requirements such as when you reach a balance of at least \$6,000 and are 25 years or older (but younger than 65), provided you don't have an 'inactive' account (where inactive means that you have not received any contributions or rollovers into your account for at least 16 months or more) and you have not cancelled cover previously held through Australian Ethical Super.

You may be able to start your Default Cover earlier by choosing to opt-in (known as making a valid election).

The amount of Default Cover you receive changes as you grow older and your insurance needs change.

Default Cover amounts are not guaranteed and cover is subject to you meeting relevant terms and conditions of the policy. Go to our **Insurance Guide** available online for further information.

For the first 30 days, Default Cover is limited to cover for new events. This limitation is removed after the first 30 days as long as you meet certain conditions which are set out in the **Insurance Guide**. Default Cover may be cancelled in certain circumstances (for example, if you leave the Fund or your account becomes 'inactive' and you have not elected to continue to receive insurance cover). You may be eligible to increase your Default cover by applying for the New Member offer or if you experience a Life Event (such as getting married or having a child).

You can choose to opt out of Default Cover prior to it commencing. Once your cover has commenced, you can reduce or cancel your cover at any time, either through the form available on our website, using our member portal or contacting us on 1800 021 227 (cancel only).

If you cancel within 90 days of your Default Cover commencing, then your cover will cease from the date the cover it started and any premium paid will be refunded to your account.

Fixed Cover

The Fund also offers Death, Death and TPD and Income Protection cover on a fixed sum insured basis. You will be required to

Type of cover	Maximum cover	Cost of cover
Default Cover		Cost of cover varies with age, sex at birth and occupation
Death & Total and Permanent Disablement	Level of cover will vary with age. Maximum cover is \$230,000 at age 34. Please see Insurance Guide for level of cover based on your age.	Example*: 34 years old (age next birthday will be 35), 'Light Manual' occupation category Female: \$138.46 p.a Male: \$218.96 p.a
Fixed Cover (subject to insurer approval).		Cost of cover varies with amount of cover, age, sex at birth, occupation and smoking status
Death	Unlimited Death cover. \$5 million Terminal Illness cover.	Example: 34 year old female (age next birthday will be 35), Non-smoker, <i>White Collar</i> occupation category will cost \$63 p.a for \$300,000 of Death cover.
Death & Total and Permanent Disablement	Unlimited Death cover. \$5 million TPD (amount of cover cannot exceed Death cover). \$5 million Terminal Illness cover.	Example: 34 year old male (age next birthday will be 35), Non-smoker, <i>White Collar</i> occupation category, will cost \$177 p.a for \$300,000 of Death and TPD cover.
Income Protection	The lesser of: 75% of income plus superannuation contributions of 10%; or \$30,000 per month.*	Example: 34 year old female (age next birthday will be 35), non-smoker, <i>White Collar</i> occupation category, for up to 2 year benefit period with a 30 day waiting period will cost \$727.20 p.a for \$10,000 per month cover.

* Regardless of the amount of cover you have at claim time, the benefit payable cannot exceed 85% of your pre-disability income, where 75% of your pre-disability income will be paid to you as income, and the balance of up to 10% paid as a superannuation contribution. Refer to the **Insurance Guide** for further information.

9 How to open an account

You should read... the important information about opening an account, cooling off period and complaints handling before making a decision. Go to Section 7 of the Additional Information Booklets. The material relating to opening an account may change between the time when you read this PDS and the day when you acquire the product.

- 1 Read and understand this Product Disclosure Statement and the **Super Additional Information Booklet**, the **Pension Additional Information Booklet** and the **Insurance Guide**. You can also review the Target Market Determination (TMD). All documents are available on our website.
- 2 Join online with no paperwork at: **australianethical.com.au/join-now** OR Complete and send us the Application Form. The Application Form is a separate booklet that is available on request.
- 3 You and your employer can then start to make payments into your account.

Cooling off period

You have a 14-day cooling-off period after making your investment to ensure you are comfortable with your decision to invest. You will need to tell us in writing if you change your mind. The cooling off period starts at the earlier of the date you receive confirmation from us of an initial contribution to your account, or five business days after the initial contribution to your account is accepted.

If you exercise your right to cool off, preserved and restricted non-preserved amounts can only be rolled over to another fund – they cannot be paid directly to you. The amount rolled over or repaid will be adjusted to take into account the increase or decrease in the

complete an insurance application available on our website or using our member portal.

Cover is subject to acceptance by the insurer. You should note that fixed insurance cover may also be cancelled in certain circumstances (e.g. if you leave the Fund or you reach the cover expiry age).

Paying for your insurance cover

Default Cover premiums are based on your amount of cover, age, sex at birth and occupation category. Fixed Cover premiums are based on your amount of cover, age, sex at birth, occupation category, smoking status and for Income Protection cover, the waiting period and benefit period.

Premiums are automatically deducted from your account balance each month.

If you don't advise us of your occupation, your insurance premiums will be based on a *Light Manual* occupation category. You are able to update your occupation category at any time through our member portal or by completing the **Insurance Variation form available on our website.**

value of the investment from the date it was invested until the date we receive the notification from you, as well as any transaction costs and reasonable administrative fees. The cooling off period does not apply in some situations including switches between investment options and any investment in respect of which you have already exercised rights as a member of the Fund. Any insurance cover will also be cancelled if you decide not to continue with your account.

Enquiries and complaints

We welcome your enquiries and comments. If you are not satisfied with any aspect of our service, please contact our Client Service team on **1800 021 227** or email **members@australianethical.com.au**. We aim to acknowledge your complaint within 1 business day of receiving it, or as soon as practicable.

The legislated timeframe to resolve your complaint is 45 calendar days after receiving your complaint or for complaints about superannuation death benefit distributions, no later than 90 calendar days after the expiry of the 28 calendar day period for objecting to a proposed death benefit distribution. If we do not resolve your complaint to your satisfaction within the legislated timeframe, you can complain to the following external dispute resolution body, at no charge to you:

The Australian Financial Complaints Authority (AFCA):
W afca.org.au **E** info@afca.org.au **T** 1800 931 678

Privacy

We respect your privacy. Protecting your personal information is important to us. Please read our Privacy Policy and our Privacy Collection Notice which outline the type of information we collect about you and how we will use that information, and are available on our website: **australianethical.com.au/privacy-policy**