

23 March 2026

Significant Event Notice – Australian Ethical

Updates to the Australian Ethical Retail Superannuation Fund investment menu, fees and costs.

We are making some changes to the Australian Ethical Account-Based Pension product.

These changes will be made to the investment menu for your product and are designed to:

- better align our super and pension options for more seamless transfer,
- provide members with a new investment option which allows them to achieve long-term outcomes appropriate for their level of tolerance to risk.

What's changing?

From 1 May 2026 we will:

- update the Investment Fees & Costs across most investment options ([see further below under 'Changes to Investment Fees and Costs' for current and new fees and costs](#)).

From 1 June 2026 we will:

- change the name of the current Balanced investment option,
- open a new Balanced investment option.

Change the name of the current Balanced investment option

We're making it easier to understand your investment options. From 1 June 2026, what's currently called the "Balanced (pension)" investment option will be renamed to "Conservative Balanced". Don't worry—there won't be any changes to how your money is invested, the mix of assets or the level of risk. It's a name change to better reflect how the assets of the investment option are invested.

New Balanced investment option

From 1 June 2026, a new Balanced investment option will be available to all members.

Who this option may suit

This option may be suitable if you:

- are comfortable with a medium level of risk, and
- plan to keep your money invested for at least 8 years.

Investment objective	The option aims to achieve returns of 3.75% pa above inflation after investment fees and taxes over a 10 year period. ¹						
Investors that the option may suit	Members comfortable with a medium level of risk that have an investment timeframe of at least 8 years.						
Recommended minimum investment timeframe	8 years						
Strategic asset allocation*	Growth (65 – 85%)					Defensive (15-35%)	
	Asset type	Australian & New Zealand Shares [^]	International Shares	Alternatives	Property and Infrastructure	Fixed Interest	Cash and short term interest bearing securities
	Ranges	17-37%	16-36%	1-21%	1-21%	5-25%	0-20%
	Target	27%	26%	11%	11%	15%	10%
Risk level	Medium						
Performance and portfolio information	We may make changes to this investment option from time-to-time, including changes to the types of assets held. We will notify members of 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 further material relating to the asset types in this option.						

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

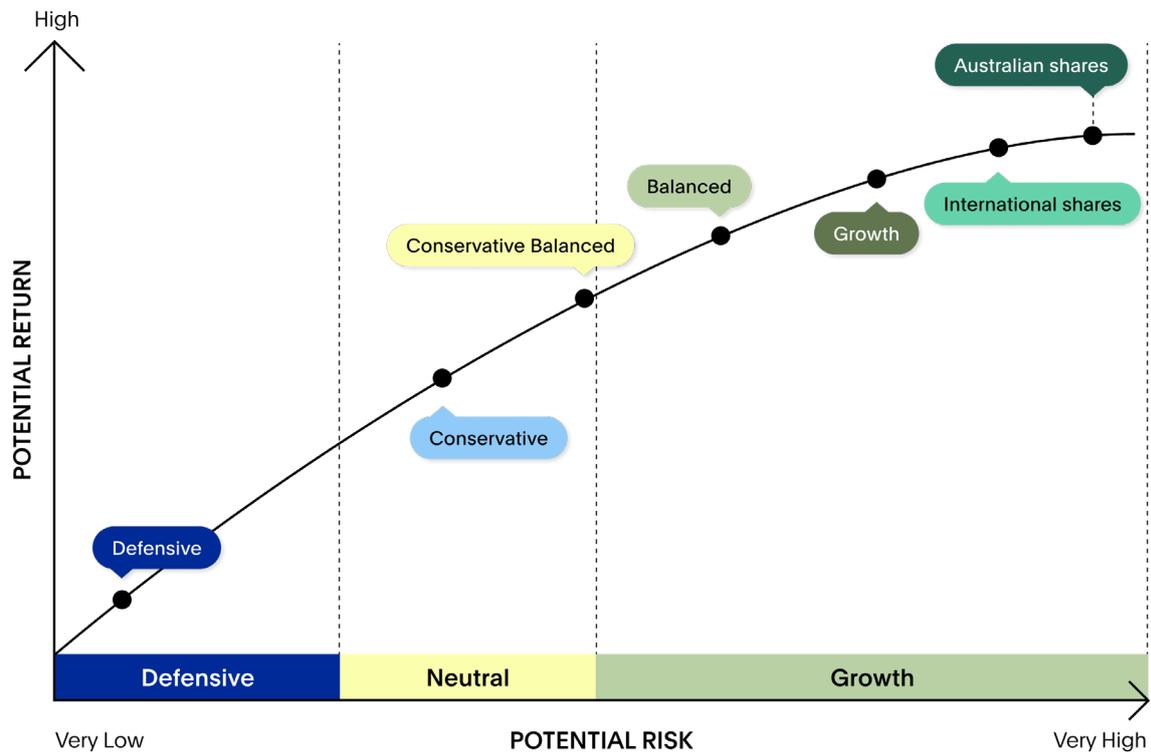
* The asset allocation shown is a strategic asset allocation and the actual allocation may vary within the range due to market movements, investments into or withdrawals from the option, or changes in the nature of the investment. This information is correct as at the date of this document and is subject to change.

[^] 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.

Understanding risk and return

After these changes, our pension investment options will align to three broad risk levels as indicated in this chart:

- **Defensive** – prioritises capital stability and modest returns. Suitable if you plan to use your money soon
- **Neutral** – balances growth and stability, with some ups and downs over time
- **Growth** – aims for higher long-term growth, with higher short-term fluctuations



This scale is a guide only and not a forecast of future returns.

This may be a good time to review your investment choice and check if it still suits your goals. You can learn more about choosing the risk level appropriate for you in our blog [How to choose an appropriate investment option for you](#) and you can also check your current investments anytime via the [member portal](#). You may wish to consult a financial adviser before making an investment decision.

Changes to investment fees & costs

We regularly review fees so that they are appropriate for each investment option.

Our fees reflect the way we manage our stock portfolios, where we make decisions aimed to achieve returns while carefully managing risk. We also invest resources in deep ethical research to ensure every investment aligns with our Ethical Charter. This approach aims to deliver both appropriate investment outcomes and also support a more sustainable and ethical future.

The table below details changes to investment fees and costs for each option, along with reasons for changes.

Investment option	Previous Investment Fees & Costs (pa)	New Investment Fees & Costs from 1 May 2026* (pa)	Change
Defensive	0.20%	0.24%	0.04% increase, due to an increased allocation to alternative assets which incurs additional cost.
Conservative	0.74%	0.73%	0.01% decrease.
Conservative Balanced (previously Balanced pension)	0.84%	0.78%	0.06% decrease, due to a reduction in the investment fee.
Balanced (new option)	-	0.83%	Not applicable – new investment option available 1 June 2026.
Growth	1.04%	0.95%	0.09% decrease, due to reductions in the investment fee and indirect costs.
Australian Shares	1.15%	1.15%	No change.
International Shares	0.95%	0.94%	0.01% decrease.

*Investment costs have been determined on actual costs incurred in the 12 months prior to 31 December 2025.

These costs may change from year to year. For more information, please refer to the relevant [Additional Information Booklet](#).

Changes to transaction costs

Transaction costs are associated with the sale and purchase of assets of the superannuation entity, other than costs that are recovered by the superannuation entity charging buy-sell spreads. Transaction costs are generally calculated each year based on the previous 12 months costs (if available). Transaction costs are taxes, duties and other costs (such as brokerage) including transaction costs from underlying investment vehicles.

Investment option	Previous Transaction Costs (pa)	New Transaction Costs from 1 May 2026* (pa)	Change
Defensive	0.00%	0.02%	Increase, due to an increased allocation to alternative assets which incurs additional cost.
Conservative	0.02%	0.02%	No change.
Conservative Balanced (previously Balanced pension)	0.01%	0.03%	0.02% increase, due to increased costs incurred.
Balanced (new option)	-	0.05%	Not applicable – new investment option available 1 June 2026.
Growth	0.02%	0.02%	No change.
Australian Shares	0.04%	0.03%	0.01% decrease.
International Shares	0.01%	0.01%	No change.

*Transaction costs have been determined on actual costs incurred in the 12 months prior to 31 December 2025.

Checking for updates

Any changes to the information contained in this notice will be provided through our website australianethical.com.au/super/notices/. If there are significant changes, we will write to you again.

We're here to help

If you have questions about these changes, please call us on 1800 021 227, Monday to Friday 8:30am to 5:30pm AEST/AEDT.

These changes are important, so we encourage you to take the time to consider how they might affect you and keep a copy of this letter for your records. You may wish to consult a financial adviser if you're not sure what impact this has on your financial objectives, situation or needs.

This information is of a general nature and is not intended to provide you with financial advice or take into account your personal objectives, financial situation or needs. Before acting on the information, consider its appropriateness to your circumstances and read the Product Disclosure Statement, Additional Information Booklet and Target Market Determination available at australianethical.com.au/super/pds. You may wish to seek professional advice from a licenced financial adviser before making a decision.

Interests in the Australian Ethical Retail Superannuation Fund (ABN 49 633 667 743 SPIN/USI AET0100AU) are issued by the Trustee of the Fund, Australian Ethical Superannuation Pty Limited (ABN 43 079 259 733 RSE L0001441, AFSL 526 055). Australian Ethical respects your privacy. All information is handled in accordance with Australian Ethical's Privacy Policy. This communication contains important information about our interests in the Fund that we are required by law to provide to you, and accordingly you cannot unsubscribe from these types of communication.