SIGNIFICANT EVENT NOTICE – AUSTRALIAN ETHICAL SUPER

1 November 2026

We'd like to let you know about some changes reflected in the Product Disclosure Statement (**PDS**) and Additional Information Booklet issued on 1 November 2026. These documents are available on our website at australianethical.com.au/super/pds-forms

As part of our commitment to transparency, we regularly update our PDS to ensure members have clear and up-to-date information about fees, costs, investment management practices and the operation of our Ethical Criteria. Most of the changes in this notice provide additional disclosure and explanation, rather than changes to how our products are managed.

What do you need to do?

You are not required to take any action however you should consider whether any of these changes are relevant to your circumstances.

1. Changes to Investment fees & costs

We regularly review the fees we charge and where possible, try to reduce them. Earlier in 2026, we let you know that we reduced Australian Ethical Super's investment fee on several investment options by 0.06% pa.

Every year, we're required to calculate and disclose to members any changes in the indirect investment fees and costs that have been incurred by the fund and its investment managers over the past 12 months. These are not deducted directly from your account. They are included in the investment fees and costs of the relevant option and reduce the investment return reflected in its unit price.

During the last financial year, there were modest changes to the indirect investment fees & costs for some of our superannuation options. Most changes were between 0.02% and 0.04% and reflect either performance fees paid by our fund to our investment managers where they exceeded their performance targets, or indirect costs incurred by our investment managers over the previous 12 months.

The tables below detail changes in investment costs for each option. Please remember these are not increases to the fees charged by us to you.

Transition to Retirement investment options

Investment option	Previous total Investment fees & costs	New total Investment fees & costs	Change	Reason for change
Defensive	0.24%	0.24%	No change	No change.
Conservative	0.74%	0.76%	+ 0.02%	An increase of 0.03% due to performance fees paid to underlying investment managers, partially offset by a 0.01% reduction in indirect costs.

Conservative Balanced	0.78%	0.81%	+ 0.03%	An increase of 0.03% due to performance fees paid to underlying investment managers.
Balanced	0.83%	0.86%	+ 0.03%	An increase of 0.03% due to performance fees paid to underlying investment managers.
Growth	0.96%	0.98%	+ 0.02%	An increase of 0.03% due to performance fees paid to underlying investment managers, partially offset by a 0.01% reduction in indirect costs.
Australian Shares	1.15%	1.15%	No change	No change.
International Shares	0.93%	0.97%	+ 0.04%	An increase of 0.04% in indirect costs.

Retirement pension options

Investment option	Previous total Investment fees & costs	New total Investment fees & costs	Change	Reason for change
Defensive	0.24%	0.24%	No change	No change.
Conservative	0.73%	0.76%	+ 0.03%	An increase of 0.03% due to performance fees paid to underlying investment managers.
Conservative Balanced	0.78%	0.82%	+ 0.04%	An increase of 0.03% due to performance fees paid to underlying investment managers along with an increase of 0.01% in indirect costs.
Balanced	0.83%	0.85%	+ 0.02%	An increase of 0.03% due to performance fees paid to underlying investment managers, partially offset by a 0.01% reduction in indirect costs.
Growth	0.95%	0.98%	+ 0.03%	An increase of 0.03% due to performance fees paid to underlying investment managers.
Australian Shares	1.15%	1.15%	No change	No change.
International Shares	0.94%	0.97%	+ 0.03%	An increase of 0.03% in indirect costs.

Importantly, these are not increases to the investment management fees charged by Australian Ethical. They reflect the annual regulatory calculation of investment fees and costs incurred in managing the relevant investment option over the previous financial year.

2. Changes to Transaction fees & costs

Transaction costs are associated with the sale and purchase of assets other than costs that are recovered by the superannuation fund when they charge buy-sell spreads, at the time members buy or sell investment options. Transaction costs are calculated each year based on the previous 12 months. Transaction costs include taxes, duties and other costs (such as brokerage).

Transition to Retirement investment options

Investment option	Previous Transaction costs	New Transaction costs	Change
Defensive	0.02%	0.02%	No change
Conservative	0.00%	0.02%	+ 0.02%
Conservative Balanced	0.03%	0.05%	+ 0.02%
Balanced	0.05%	0.06%	+ 0.01%
Growth	0.01%	0.04%	+ 0.03%
Australian Shares	0.02%	0.04%	+ 0.02%
International Shares	0.00%	0.00%	No change

Retirement pension investment options

Investment option	Previous Transaction costs	New Transaction costs	Change
Defensive	0.02%	0.02%	No change
Conservative	0.02%	0.04%	+ 0.02%
Conservative Balanced	0.03%	0.05%	+ 0.02%
Balanced	0.05%	0.07%	+ 0.02%
Growth	0.02%	0.04%	+ 0.02%
Australian Shares	0.03%	0.06%	+ 0.03%
International Shares	0.01%	0.02%	+ 0.01%

3. Increased buy/sell spread for Balanced pension option

Buy-sell spreads are amounts included in unit prices which:

- increase the amount you pay when you purchase units, and
- reduce the amount you receive when you sell units.

They are charged in this way so that only members who change their investment options incur the transaction costs associated with buying and selling assets.

From 1 November 2026, the buy/sell spread for the Balanced pension option has increased from 0.05% to 0.10% on both purchase (entry) and sale (exit) prices. This reflects the estimated costs incurred over the 12 months to 30 June 2026.

4. Introduction of minimum super balance following a partial rollout or withdrawal

If you request a partial rollout or withdrawal from a super account (eg. to commence a new pension account) you may be required to either leave $6,500 in the account or close the account completely. If you request a rollout or withdrawal that would reduce your balance to below $6,500, we would contact you for alternate instructions.

This business rule does not apply to certain transactions such as financial hardship and compassionate grounds withdrawals, ATO release authorities or family law payment splits.

Please refer to the application form for more information.

5. Additional disclosure regarding the use of derivatives

We have updated our Ethical Guide, PDS and Additional Information Booklet to provide additional information regarding the use of derivatives within our investment options.

Derivatives are used by our portfolio managers primarily to manage cash flows, liquidity, currency exposure and market exposure efficiently. They may also be used for portfolio transition management, implementing asset allocation decisions and duration management. They may reference companies, sectors or securities that have not been ethically approved under our Ethical Criteria and may result in an indirect economic exposure.

Any such exposures are expected to be limited and incidental to portfolio management.

The Ethical Guide also includes additional information regarding circumstances where derivatives may be used including to obtain broad market exposure for liquidity management purposes, and how these exposures are monitored and managed.

6. Additional information regarding the application and operation of our Ethical Criteria

We have updated the Ethical Guide to provide greater transparency regarding the application and operation of our Ethical Criteria and any exclusions.

The updated Ethical Guide includes additional information regarding:

- the use of derivatives,
- preliminary ethical assessments,
- portfolio transitions and implementation exposures,
- externally managed investments,
- the scope of ethical research, and
- the ongoing review, engagement and divestment processes applied where investments are assessed as no longer meeting our Ethical Criteria.

The updated Ethical Guide also includes additional positive screening criteria relating to responsible mining and minerals that support the transition to a lower-carbon economy, including transition minerals such as lithium and copper.

We're here to help

If you have any questions about these changes, please call us on 1800 021 227, Monday to Friday 8.30am to 5.30pm.

These changes are provided for your information. Please keep a copy for your information. If you would like to understand whether any change is relevant to your circumstances, you may wish to consult a licensed financial adviser.

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-forms. You may wish to seek professional advice from a licensed 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.