



Significant Event Notice.

For members of Hostplus Pension

8 December 2023

Changes to investment fees and costs for the Socially Responsible Investment (SRI) – Balanced option

We have updated our investment fees and costs for the **SRI – Balanced option** in the Product Disclosure Statement (*PDS*) issued on 1 October 2023, based on the investment fees and costs incurred for the financial year ending 30 June 2023. This update reflects a material increase in fees and costs for the option.

Summary of the changes

The investment fees and costs disclosed in the PDS are shown in the table below.

Investment option	Date of PDS*	Investment fees and costs (excl. performance fees)	Performance fees	Transaction costs	Total investment fees and costs	Change in total investment fees and costs	Cost of product ¹
Socially Responsible Investment (SRI) – Balanced	1 April 2023	0.30%	0.11%	0.08%	0.49%		\$536.47
	1 October 2023	0.39%	0.14%	0.09%	0.62%	+0.13%	\$607.03

* The fees and costs are based on the fees and costs for the SRI – Balanced investment option for the financial year ending 30 June 2022 and 30 June 2023 respectively. Fees and costs disclosed may include estimates based on the previous financial year.

What caused the increase in fees and costs for the SRI – Balanced option?

On 1 July each year, we calculate and publish the fees and costs for all Hostplus products for the new financial year. In most cases, these fees and costs are based on actual and estimated information from the previous financial year. Actual investment fees and costs can change throughout the year and may be higher or lower than these estimates.

On review, the investment fees and costs for the SRI – Balanced option are materially higher than the investment fees and costs disclosed in the Product Disclosure Statement dated 1 April 2023.

The key reasons for the change in investment fees and costs are set out below:

Compelling performance

Recently, certain investments in your option have surpassed their return targets, resulting in higher performance fees charged by some of our external investment managers. Though the performance fees are higher, it means these investments have added value to members' accounts overall.

In fact, Hostplus' SRI – Balanced option is one of the top-performing socially responsible balanced options in Australia over five years², even after investment and performance fees have been paid.

1. The cost of product calculates how ongoing annual fees and costs can affect your superannuation investment over a 1-year period. It calculates the administration fees, investment fees and costs and investment transaction costs on a \$50,000 balance. The cost of product includes an increase in the amount deducted from Hostplus' Administration Reserve, from \$49.22 at 1 April 2023 to \$54.78 from 1 October 2023.

2. Source: SuperRatings Sustainable Survey – Balanced (60–76), June and September 2023. Hostplus SRI Balanced was ranked number 2 for the 5 year period ending 30 June 2023 and 30 September 2023 (for the Hostplus Superannuation and Personal Super Plan).

New investments

In our commitment to continually improve your investment portfolio, we've introduced new investments within the SRI – Balanced option. While some of these come with higher management fees, we believe they will add greater value to your overall portfolio. These adjustments reflect our goal of delivering sustainable and robust net returns to support your retirement.

Changes to the investment fees and costs for other investment options

In addition to the changes described above, there was a significant reduction in the investment fees and costs for certain options, which we will communicate to members in 2024.

You can view up-to-date fees and costs for all Hostplus investment options on the Hostplus website at hostplus.com.au/members/our-products-and-services/super/fees-charges.

Thank you for being a member.