

Important information about the Socially Aware investment option

August 2025

AustralianSuper has reviewed the investment exclusions (or 'screens') that apply to the Socially Aware investment option to better meet member expectations, specifically in relation to the areas of concern subject to screening, and to ensure as far as practical that screens apply to all assets held by the option.

Effective from 1 August 2025, the review has resulted in changes to the strategic asset allocation, investment objectives, risk levels and screens that apply as set out in this notice.

If you no longer wish to hold the Socially Aware investment option, you can make a switch to another investment option by logging into your account at australiansuper.com/login

If you are comfortable with the changes, no action is required.

Strategic asset allocation and ranges

The strategic asset allocation and ranges (shown in brackets) have changed as follows:

Asset class	Previous	From 1 August 2025
Australian shares	23.85% (10–45%)	31.5% (20–50%)
International shares	30.65% (10–45%)	38.5% (20–50%)
Private equity	4.75% (0–15%)	Not applicable
Infrastructure	9.25% (0–30%)	Not applicable
Property	8% (0–30%)	Not applicable
Credit	4% (0–20%)	Not applicable
Fixed interest	14.5% (0–25%)	25% (0–30%)
Cash	5% (0–20%)	5% (0–30%)
Other assets	0% (0–5%)	Not applicable
Total growth assets	69.9%	70%
Total defensive assets	30.1%	30%
Foreign currency exposure	19.5% (0–30%)	29% (0–40%)

The option no longer holds exposure to private equity, infrastructure, property and credit asset classes. The strategic asset allocation for the remaining Australian shares, international shares, fixed interest and cash asset classes was updated to maintain the 70% growth asset profile of the option.

Investment objective

As a result of the change to the strategic asset allocation, the CPI investment objective of the Socially Aware investment option has decreased due to the expected decrease in medium to longer term returns as follows:

Previous	From 1 August 2025
<ul style="list-style-type: none">• To beat CPI by more than 3.5% p.a. over the medium to longer term; and• To beat the median balanced fund¹ over the medium to longer term.	<ul style="list-style-type: none">• To beat CPI by more than 3% p.a. over the medium to longer term.

¹ As determined by the SuperRatings Fund Crediting Rate Survey - SR50 Balanced (60-76) Index for super and TTR Income accounts; and SRP50 Balanced (60-76) Index for Choice Income accounts.

The objective to beat the medium balanced fund over the medium to longer term has been removed as most funds in the SR50 Balanced (60-76) Index hold exposure to the unlisted asset classes that were removed, so it is no longer considered an appropriate peer comparison benchmark for Socially Aware investment option returns from 1 August 2025.

Risk levels

As a result of the change to the strategic asset allocation, the long-term risk level of the Socially Aware investment option has increased as follows:

Time invested	Previous	From 1 August 2025
Short-term (<5 years)	High	High
Medium-term (5 to 20 years)	Medium	Medium
Long-term (>20 years)	Low	Low to medium

The increase in the long-term risk level is due to the increased probability of a projected retirement outcome that is lower than wage inflation (as a result of the change to the strategic asset allocation) from less than 10% (Low), to between 10% and less than 20% (Low to medium).

Investment exclusions (or ‘Screens’)

Effective from 1 August 2025, the list of investment exclusions (or ‘screens’) that apply to the Socially Aware investment option were expanded as follows:

- Additional company exclusion criteria now apply for thermal coal, oil and gas, and controversial weapons,
- New company exclusion criteria now apply for nuclear weapons, animal welfare, gambling and palm oil,
- Limits on the applicability of company exclusions for uranium and single gender boards to certain investments and asset classes were removed and now apply to all corporate securities (such as shares, bonds, loans and other equity or debt securities),
- The limit on indirect exposure to excluded companies via the use of derivatives has been reduced,
- Company exclusion criteria now apply to financial institutions that hold cash for the benefit of the Socially Aware investment option, and
- New screens were introduced for government issued fixed interest securities (such as bonds, loans and other debt securities) that have received the lowest two out of seven ratings on how well a country manages underlying factors across various ESG issues (‘excluded countries’). This exclusion also captures certain state and local authorities which are exposed to similar ESG risks as countries.



Changes to company exclusion criteria and use of derivatives are shown in more detail below:

Exclusions where additional criteria now apply

Additional company exclusion criteria now apply for thermal coal, oil and gas, and controversial weapons as follows:

Exclusion	Previous	From 1 August 2025
Thermal coal, oil and gas	Companies that provide evidence of owning thermal coal, oil or gas reserves ²	Companies that: <ul style="list-style-type: none"> • provide evidence of owning thermal coal, oil and gas reserves², and/or • derive any revenue (reported or estimated) from: <ul style="list-style-type: none"> – oil and gas extraction and production, – the mining of thermal coal and its sale to external parties (excluding royalty income for companies that are not involved in thermal coal extraction), and/or – power generation using fossil fuels (thermal coal, liquid fuel and natural gas).
Controversial weapons	Companies that produce, or own 20% or more of companies that produce ³ : <ul style="list-style-type: none"> • cluster munitions whole weapons systems, intended use components, dual use components or delivery platforms, and/or • whole weapons systems or essential intended or dual-use components for anti-personnel landmines and anti-vehicle landmines. 	Companies that produce, or companies that own 50% or more of companies that produce: <ul style="list-style-type: none"> • whole weapons systems, essential intended use or dual use components or delivery platforms for cluster munitions, • whole weapon systems, essential intended or dual use components for anti-personnel or anti-vehicle landmines, • whole weapon systems or critical components for biological or chemical weapons, • incendiary weapons using white phosphorus, • depleted uranium weapons, ammunition or armour, and/or • weapons that use non-detectable fragments.

² Reserves, in this context, are thermal coal, oil or gas that can be extracted from known fields at an economical cost.

³ Financial institutions and fund providers that own less than 50% of companies that produce cluster munitions and land mines are not excluded by the screens.

New exclusions from 1 August 2025

New company exclusion criteria now apply for nuclear weapons, animal welfare, gambling and palm oil, as follows:

Exclusion	Description of exclusion criteria
Nuclear weapons	Companies that, or companies that own 50% or more of companies that: <ul style="list-style-type: none"> • produce nuclear warheads, missiles, and delivery platforms capable of deploying nuclear weapons, • produce essential intended or dual-use components for nuclear weapons and nuclear weapon delivery systems, and/or • provide support services for nuclear weapons, including companies with contracts to operate/manage government-owned facilities that conduct research and development, testing, simulations, and other essential sciences on nuclear weapons.
Animal welfare	Companies that: <ul style="list-style-type: none"> • conduct animal testing for non-medical products unless they: <ul style="list-style-type: none"> – disclose one or more best practice statements or policies that address the welfare of animals used for laboratory testing, and – disclose statements that they are researching or executing alternatives to animal testing, or that they have adopted the 'three Rs' (reduce, refine and replace the use of animals in animal testing), and/or • engage in the long distance transport and/or export of animals for the purpose of selling live animals for slaughter, husbandry, and breeding subjects, including specialised transportation services specifically designed to facilitate live exports, that present a significant risk to animal welfare. Companies that own 50% or more of companies involved in such activities are also excluded.
Gambling	Companies that generate 5% or more revenue (maximum reported or estimated for the most recently completed fiscal year) from: <ul style="list-style-type: none"> • owning or operating gambling facilities, online gambling websites, platforms, or mobile applications, • providing products or support services fundamental to gambling operations, and/or • licensing their brand name to gambling products.
Palm oil	Companies that, or companies that own 50% or more of companies that: <ul style="list-style-type: none"> • cultivate oil palm trees and harvest fresh fruit bunches used to produce palm oil products, and/or • are involved in the trade or distribution of palm oil products (excluding companies that distribute products that contain palm oil as one of their ingredients or components).

Removal of limits on the scope of existing exclusions

The following exclusions and exclusion criteria remain unchanged, and in the case of controversies, single gender boards and uranium exclusions, the limits that previously applied before 1 August 2025 detailed in the table below have been removed.

Exclusion criteria now apply to all corporate securities (such as shares, bonds, loans and other equity or debt securities):

Exclusions	Description of exclusion criteria	Before 1 August 2025: Investments and asset classes to which the screens apply
Controversies	Companies that have received the highest severity rating on a labour rights and supply chain, human rights and community impact, environmental or governance controversy.	<ul style="list-style-type: none">• Listed shares in Australian shares and international shares asset classes, and• Corporate securities (such as bonds, loans and other debt instruments) in the fixed interest asset class.
Single gender boards	Companies that have single gender boards.	<ul style="list-style-type: none">• S&P/ASX 200 companies in Australian shares asset class.
Uranium	Companies that: <ul style="list-style-type: none">• provide evidence of owning uranium reserves⁴, and/or• own or operate active uranium mines.	Listed shares in Australian shares and international shares asset classes.
Tobacco	Companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves. Tobacco products include traditional and alternative tobacco smoking products, such as e-cigarettes.	All asset classes.

⁴ Reserves in this context are uranium that can be extracted from known fields at an economical cost.

Use of derivatives

The limit on indirect exposure to excluded companies via the use of derivatives has been reduced as follows:

Previous	From 1 August 2025
The option may use derivatives which could result in exposure (up to 5% of the option's total assets) to companies that are otherwise excluded by the screens.	<p>The Socially Aware investment option may use derivatives for liquidity and portfolio management purposes. Derivatives are based on standard market indices, and it is not possible to screen individual securities within the relevant market index.</p> <p>Through daily monitoring of individual exposures, we aim to ensure that any indirect exposure to excluded companies is limited to 1% of the option's total assets.</p> <p>If, due to market movements on any given day, our indirect exposure to excluded companies via derivatives exceeds 1% of the option's total assets, we will endeavour to reduce this exposure to below 1% as soon as practical, and in any event within 30 days.</p> <p>During times of significant market volatility or substantial member cash flows, the use of derivatives that cause indirect exposure to excluded companies above the 1% threshold may be temporarily permitted if it's determined to be in members' best financial interests. In exceptional circumstances, this condition may persist for more than 30 days.</p>

For full details of the Socially Aware investment option, including updated details on the implementation and monitoring of screens, refer to:

- For super accounts: australiansuper.com/InvestmentGuide
- For Choice Income or TTR Income accounts: the relevant product disclosure statement at australiansuper.com/pds



Fees and costs

Due to the changes in the strategic asset allocation as set out in this notice, the fees and costs from 1 August 2025 for the Socially Aware investment option are likely to be lower than those based on the year ended 30 June 2025, as follows:

Type of fee or cost	Year ended 30 June 2025	Estimated from 1 August 2025
For super and TTR Income accounts:		
Investment fees and costs	0.52% p.a.	0.25% p.a.
Transaction costs	0.08% p.a.	0.05% p.a.
For Choice Income accounts:		
Investment fees and costs	0.57% p.a.	0.25% p.a.
Transaction costs	0.08% p.a.	0.05% p.a.

Regulations require us to disclose in the relevant product disclosure statement (PDS) Investment fees and costs and Transaction costs based on the actual fees and costs incurred for the previous financial year. The fees and costs set out in the 'Year ended 30 June 2025' column of the table are the fees and costs for the previous financial year as disclosed in the PDS. They are expressed as a ratio to the average value of all assets in the investment option over the year ended 30 June 2025. They are variable and are likely to change from year to year.

Figures provided in the column 'Estimated from 1 August 2025' are an indication of the Investment fees and costs and Transactions costs which we consider are more representative of the amounts that may be incurred from 1 August 2025. We have estimated these amounts based on the actual fees and costs incurred for the year ended 30 June 2025 taking into account the revised strategic asset allocation percentages from 1 August 2025 set out in this notice.

For full details of all fees and costs that apply, refer to:

- For super accounts: australiansuper.com/FeesandCostGuide
- For Choice Income or TTR Income accounts: the relevant product disclosure statement at australiansuper.com/pds



We're here to help

We'll save a copy of this notice in your account online in the next 28 days for you to access in the future. If you need help or have any queries, please call us on **1300 300 273** from 8am to 8pm AEST weekdays or visit our website anytime at australiansuper.com



This notice was prepared and issued in August 2025 by AustralianSuper Pty Ltd ABN 94 006 457 987 AFSL 233788, Trustee of AustralianSuper ABN 65 714 394 898, and may contain general financial advice which doesn't take into account your personal objectives, financial situation or needs. Before making a decision about AustralianSuper, you should think about your financial requirements and refer to the relevant Product Disclosure Statement, available at australiansuper.com/pds or by calling **1300 300 273**. A Target Market Determination (TMD) is a document that outlines the target market a product has been designed for. Find the TMDs at australiansuper.com/TMD
AustralianSuper Pty Ltd, ABN 94 006 457 987, AFSL 233788, Trustee of AustralianSuper ABN 65 714 394 898.