



Significant Event Notice.

For investors in Hostplus Self-Managed Invest (SMI)

8 December 2023

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

We have updated our investment fees and costs for the SRI – Balanced and Infrastructure options 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 these options.

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%		\$417.75
	1 October 2023	0.37%	0.14%	0.09%	0.60%	+0.11%	\$472.75
Infrastructure	1 April 2023	0.48%	0.16%	0.15%	0.79%		\$567.75
	1 October 2023	0.49%	0.35%	0.13%	0.97%	+0.18%	\$657.75

* The fees and costs are based on the fees and costs for the SRI – Balanced and Infrastructure investment options 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 these increases in fees and costs?

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 and Infrastructure options are materially higher than the investment fees and costs disclosed in the Product Disclosure Statement dated 1 April 2023.

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

Compelling performance

Recently, certain investments within both options 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 investors' accounts overall. In fact, the Infrastructure option has returned 9.96% per year over three years (accumulation phase) and 11.17% per year over three years (pension phase)².

And, Hostplus' SRI – Balanced option is one of the top-performing socially responsible balanced options in Australia over five years³, even after investment and performance fees have been paid.

New investments

In our commitment to continually improve your investment portfolio, we've introduced some new investments within these options. 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 journey to 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 investors in 2024.

You can view up-to-date fees and costs for all Hostplus SMI investment options on the Hostplus SMI website at hostplus.com.au/smsfs

Thank you for being an investor in Hostplus Self-Managed Invest.

2. Source: Hostplus data, 30 September 2023.

3. 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). The SMI SRI – Balanced investment option commenced on 28 November 2022.