

# Significant event notice

30 September 2025



## This Significant Event Notice (Notice) is to let you know about important changes to

- HESTA Income Stream (which includes HESTA Retirement Income Stream (RIS) and HESTA Transition to Retirement (TTR) Income Stream), and
- HESTA Term Allocated Pension (TAP) (closed to new members).

Generally, this includes changes to, or events impacting the information provided in the relevant Product Disclosure Statement (PDS).

Changes will generally be incorporated into future versions of the PDS available at [hesta.com.au/pds](https://hesta.com.au/pds).

## The changes we are letting you know about in this Notice include:

- investment changes,
- changes to fees and costs and
- amounts paid from fund assets.

## Investment changes

### Annual investment review

An annual review of our investment strategy is conducted to ensure it continues to be in the best financial interest of HESTA's members. The review includes an assessment of the appropriateness of our investment options' objectives, long-term strategic asset allocation and risk.

This year, changes have been made to the:

- Standard Risk Measure and risk level for Balanced Growth, Diversified Bonds and Australian Shares,
- Investment return objectives for Balanced Growth, Sustainable Growth and Indexed Balanced Growth,
- Overall growth and defensive asset splits for Balanced Growth and High Growth; and
- Strategic asset allocation for the Balanced Growth, Conservative, Sustainable Growth, and High Growth ready-made options.

These changes are effective from **30 September 2025**.

## contact us

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**Table 1: Changes to the Standard Risk Measure (probable number of negative annual returns over 20 years) and the risk level.**

Refer to understanding risk and return in the *HESTA Income Stream PDS* for more information on the Standard Risk Measure and risk level. Changes are shaded.

		Up to 29/9/2025	From 30/9/2025
Balanced Growth	Probable number of negative returns over 20 years	4 to less than 6	3 to less than 4
	Risk level	High	Medium to High
Diversified Bonds	Probable number of negative returns over 20 years	2 to less than 3	1 to less than 2
	Risk level	Medium	Low to Medium
Australian Shares	Probable number of negative returns over 20 years	6 or greater	4 to less than 6
	Risk level	Very High	High

**Table 2: Changes to Investment return objectives**

Each HESTA Ready-Made option has a long term investment objective which it seeks to earn after tax, investment fees and indirect costs. Refer to 'Your guide to investment terms' in the *HESTA Income Stream PDS* for a definition of CPI. Changes are shaded.

**Retirement Income Stream (RIS) and Term Allocated Pension (TAP)**

	Up to 29/9/2025	From 30/9/2025
Balanced Growth	CPI + 3.5% (p.a.)	CPI + 4.0% (p.a.)
Sustainable Growth	CPI + 3.5% (p.a.)	CPI + 4.0% (p.a.)
Indexed Balanced Growth	CPI + 2.5% (p.a.)	CPI + 3.5% (p.a.)

**Transition to Retirement (TTR)**

Refer to 'Your guide to investment terms' in the *HESTA Income Stream PDS* and the *Investment Choices guide* for a definition of CPI. Changes are shaded.

	Up to 29/9/2025	From 30/9/2025
Balanced Growth	CPI + 3.0% (p.a.)	CPI + 3.5% (p.a.)
Sustainable Growth	CPI + 3.0% (p.a.)	CPI + 3.5% (p.a.)
Indexed Balanced Growth	CPI + 2.0% (p.a.)	CPI + 3.0% (p.a.)

**Table 3: Changes to Ready-Made options overall growth and defensive asset splits**

Refer to 'Asset classes' in the *HESTA Income Stream PDS* and the *Investment Choices guide* for more information about growth and defensive assets. Changes are shaded.

		Up to 29/9/2025	From 30/9/2025
Balanced Growth	Growth	68%	66%
	Defensive	32%	34%
High Growth	Growth	84%	82%
	Defensive	16%	18%

**Table 4: Changes to Strategic asset allocations and Currency exposure**

Refer to how your super is invested in the *HESTA Income Stream PDS* and the *Investment Choices guide* for more information about strategic asset allocations. Changes are shaded.

Ready-Made Options		Strategic Asset Allocation %	
		Up to 29/9/2025	From 30/9/2025
Balanced Growth	Australian shares	22	22
	International shares	31	28
	Private equity	5	5
	Alternatives	2	2
	Infrastructure	10	11
	Property	6	7
	Global Debt	19	19
	Cash	5	6
	Currency Exposure	19.5	19
Conservative	Australian shares	9	9.5
	International shares	13	12.5
	Private equity	-	-
	Alternatives	1	1
	Infrastructure	12.5	12.5
	Property	8.5	8.5
	Global Debt	38	35
	Cash	18	21
	Currency Exposure	9.5	9.5
Sustainable Growth	Australian shares	27	27
	International shares	31	31
	Private equity	3	3
	Alternatives	2	2
	Infrastructure	4	4
	Property	7	7
	Global Debt	19	19
	Cash	7	7
	Currency Exposure	22.5	21.5
High Growth	Australian shares	32	32
	International shares	34.5	31.5
	Private equity	8	8
	Alternatives	2	2
	Infrastructure	9.5	10
	Property	6	7
	Global Debt	5	4.5
	Cash	3	5
	Currency Exposure	24.5	24

Note: there are no changes to the allocation ranges.

## Changes to fees and costs

### Investment fees and costs and transaction costs

Investment fees and costs and transaction costs are deducted from the valuation of investments before daily unit prices are calculated.

The amounts shown below reflect those of the completed financial years and may include components that have been estimated. The Performance fees incorporated are required to be represented as an average based on the last five financial years.

Past costs may not necessarily be an indicator of future costs and amounts in the current and future financial years may be different to those below. Information about the rate of investment fees and costs and transaction costs you incur in a financial year is included in the 'Additional information about fees and costs' in your statement each year or when you exit the fund.

**The tables below details the updated investment fees and costs and transaction costs for 2024/2025.**

Changes are shaded.

#### Retirement Income Stream (RIS) and Term Allocated Pension (TAP)

		2023/2024	2024/2025
		Investment fees and costs and transaction costs	Investment fees and costs and transaction costs
Ready-Made Options	Balanced Growth	0.49%	0.46%
	Conservative	0.40%	0.37%
	Indexed Balanced Growth	0.06%	0.08%
	Sustainable Growth	0.82%	0.75%
	High Growth	0.54%	0.49%
Your Choice Options	Cash and Term Deposits	0.02%	0.03%
	Diversified Bonds	0.30%	0.32%
	Property and Infrastructure	0.86%	0.91%
	International Shares	0.34%	0.29%
	Australian Shares	0.20%	0.22%

#### Transition to Retirement (TTR)

		2023/2024	2024/2025
		Investment fees and costs and transaction costs	Investment fees and costs and transaction costs
Ready-Made Options	Balanced Growth	0.62%	0.58%
	Conservative	0.42%	0.40%
	Indexed Balanced Growth	0.06%	0.08%
	Sustainable Growth	0.83%	0.75%
	High Growth	0.78%	0.72%
Your Choice Options	Cash and Term Deposits	0.02%	0.03%
	Diversified Bonds	0.29%	0.32%
	Property and Infrastructure	0.94%	0.94%
	International Shares	0.35%	0.29%
	Australian Shares	0.22%	0.23%

## Change to amount paid from fund assets

An additional administration cost may be paid from fund assets, not your account, in years where the amount deducted from the Fund Development Reserve exceeds the amount paid into that reserve. The actual amount based on the costs deducted (unaudited) for the 12 months to 30 June 2025 is 0.05%.