

## Summary of significant events and material changes

### At 26 March 2025

In accordance with ongoing disclosure obligations, HESTA notifies members of any material changes or significant events that may affect their membership. The required notice may take a variety of formats including a personalised letter, article in our member magazine, or information provided by electronic disclosure on our website.

Below is a summary of each significant event notice or change from 26 April 2023.

Notice date	Effective date	Nature of event or change	Impact of the change, membership group impacted and link to notice
<p><b>25 February 2025 (HESTA)</b></p> <p><b>24 February 2025 (HESTA for Mercy)</b></p>	19 April 2025	<p><b>Changes outlined:</b></p> <p><b>For all impacted groups</b></p> <ul style="list-style-type: none"> <li>Information on the change of administrator for HESTA to GROW Super Ops Pty Ltd. (GROW Inc.).</li> <li>Information on the impact to services and transactions during the temporary limited services period to facilitate the transition to GROW Inc.</li> </ul> <p><b>For HESTA, HESTA Personal Super and HESTA Corporate Super members</b></p> <ul style="list-style-type: none"> <li>Operational changes including: <ul style="list-style-type: none"> <li>Changes to methodology and timing of deduction for administration fees and costs and insurance fees.</li> <li>Changes to the way in which tax savings that HESTA claims on insurance fees are shown in member accounts.</li> <li>Removal of the availability of electronic fund transfer (EFT) and direct debit payments for personal contributions, unless a direct debit arrangement is currently in place.</li> <li>Changes to the timing of investment switches, including changes to investment strategy for future contributions.</li> </ul> </li> <li>Simplification of communication preferences. Members can now elect to receive all communications either digitally or in paper format.</li> </ul>	<p><b>Impacted groups:</b></p> <p>HESTA, HESTA Personal Super, HESTA Corporate Super, and HESTA for Mercy Super members.</p> <p><a href="https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-Super-SEN-25-February-2025.pdf">https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-Super-SEN-25-February-2025.pdf</a></p> <p><a href="https://www.hestaformercy.com.au/content/dam/hesta-for-mercy/HESTA-for-Mercy-Super-SEN-24-February-2025.pdf">https://www.hestaformercy.com.au/content/dam/hesta-for-mercy/HESTA-for-Mercy-Super-SEN-24-February-2025.pdf</a></p>

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		<p><b>For HESTA and HESTA Personal Super members</b></p> <ul style="list-style-type: none"> <li>Changes to insurance including: <ul style="list-style-type: none"> <li>Changes to default cover including when default cover automatically commences and choosing to receive default cover before automatic commencement (not applicable to HESTA Personal Super members).</li> <li>The introduction of the ability to reinstate cover and changes to how cover may restart.</li> <li>Changes to when cover ends because there is not enough money in the account to pay insurance fees.</li> <li>Changes to how the value of a Terminal Illness benefit is determined in relation to the certification date.</li> <li>Removal of the New Events Cover restriction where cover is switched from Fixed Cover to units.</li> </ul> </li> </ul> <p><b>For HESTA for Mercy Super members</b></p> <ul style="list-style-type: none"> <li>Operational changes including: <ul style="list-style-type: none"> <li>Product closure as at 19 April 2025 and move to the HESTA Super product.</li> <li>Access to a range of benefits available to other HESTA members including the HESTA app.</li> <li>HESTA's default investment option – HESTA MySuper Balanced Growth, replaces the HESTA for Mercy MySuper Balanced Growth option as the product moves to HESTA Super product.</li> <li>Changes to the way unit prices are applied to money moved into member accounts, changing from date processed to date received by HESTA.</li> <li>Changes to the cut off time for requests to switch made via email or mail to receive the unit price calculated for the business day following the switch request.</li> </ul> </li> </ul>	

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		<ul style="list-style-type: none"> <li>Changes to insurance for insured members: <ul style="list-style-type: none"> <li>The insurer will change from Zurich to HESTA's Insurer AIA Australia.</li> <li>Existing cover held with HESTA for Mercy Super will convert to cover provided by HESTA at least equal to the amount of cover the member had at 18 April 2025. This may include changes to: <ul style="list-style-type: none"> <li>the amount of cover</li> <li>insurance fees paid</li> <li>insurance terms and conditions</li> <li>eligibility for benefits, and</li> <li>the circumstances in which benefits become payable.</li> </ul> </li> </ul> </li> </ul>	
<p><b>25 February 2025 (HESTA)</b></p> <p><b>24 February 2025 (HESTA for Mercy)</b></p>	<b>19 April 2025</b>	<p><b>Changes outlined:</b></p> <p><b>For all impacted groups</b></p> <ul style="list-style-type: none"> <li>Information on the change of administrator for HESTA to GROW Inc.</li> <li>Information on the impact to services and transactions during the temporary limited services period to facilitate the transition to GROW Inc.</li> </ul> <p><b>For HESTA Income Stream and Term Allocated Pension (TAP) members</b></p> <ul style="list-style-type: none"> <li>Operational changes including: <ul style="list-style-type: none"> <li>Changes to the methodology and timing of deduction for administration fees and costs.</li> <li>Changes to the timing of switch requests to receive the unit price calculated for the business day following the switch request.</li> <li>Changes to the timing of payment drawdown.</li> <li>Introducing the ability to have an annual pension payment made on 15 July.</li> <li>Changes to the process for establishing a new income stream account.</li> </ul> </li> <li>Simplification of communication preferences. Members can now elect to receive</li> </ul>	<p><b>Impacted groups:</b></p> <p>HESTA Income Stream, Term Allocated Pension (TAP), and HESTA for Mercy Income Stream members.</p> <p><a href="https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-Income-Stream-SEN-25-February-2025.pdf">https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-Income-Stream-SEN-25-February-2025.pdf</a></p> <p><a href="https://www.hestaformercy.com.au/content/dam/hesta-for-mercy/HESTA-for-Mercy-IS-SEN-24-February-2025.pdf">https://www.hestaformercy.com.au/content/dam/hesta-for-mercy/HESTA-for-Mercy-IS-SEN-24-February-2025.pdf</a></p>

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		<p>all communications either digitally or in paper format.</p> <p><b>For HESTA for Mercy Income Stream members</b></p> <ul style="list-style-type: none"> <li>Operational changes including: <ul style="list-style-type: none"> <li>Product closure as at 19 April 2025 and move to HESTA Income Stream.</li> <li>Access to a range of benefits available to other HESTA members including the HESTA app.</li> <li>Changes to the way unit prices are applied to money moved into member accounts, changing from date processed to date received by HESTA.</li> <li>Changes to the minimum balance for income stream accounts.</li> <li>The option to elect new income stream payment options including indexation and dates of payment.</li> <li>Changes to the fortnightly payment cycle for members who receive fortnightly payments.</li> </ul> </li> </ul>	
28 August 2024	28 September 2024	<p><b>Changes outlined:</b></p> <ul style="list-style-type: none"> <li>Changes were made to the strategic asset allocation for the Sustainable Growth investment option's overall growth and defensive asset split, and strategic asset allocations.</li> <li>There are changes to the way that HESTA will address poor financial practices. From 28 September 2024 the poor financial practices exclusion for the Sustainable Growth investment option will no longer apply.</li> <li>The Sustainable Growth investment option continues to hold a very limited number of transitioning companies that generate &gt;50% of their revenue from the provision of services to the oil and gas sector. The expected date for these investments to be exited is now July 2025, to allow for the exit of these illiquid assets in a manner consistent with the best financial interests of members.</li> <li>The actual Investment Fees and Costs and Transaction costs incurred by the fund for the FY 2023/24 have been updated in the PDS.</li> </ul>	<p><b>Impacted groups:</b></p> <p>HESTA, HESTA Personal Super, HESTA Corporate Super, and HESTA for Mercy Super members.</p> <p><a href="https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-super-significant-event-notice-28-August-2024.pdf">https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-super-significant-event-notice-28-August-2024.pdf</a></p> <p><a href="https://www.hestaformercy.com.au/content/dam/hesta-for-mercy/HESTA-for-Mercy-Super-">https://www.hestaformercy.com.au/content/dam/hesta-for-mercy/HESTA-for-Mercy-Super-</a></p>

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		<ul style="list-style-type: none"> <li>The amount paid from fund assets was determined to be 0.04% p.a. of funds under management for FY 2023/24 and has been updated in the PDS. This amount is paid from fund assets and not member accounts.</li> <li>Insurance fees for HESTA Super and HESTA Personal Super members will decrease by at least 3.2% for unitised cover and 2.5% for fixed cover from 28 September 2024.</li> </ul>	<a href="#">Significant-Event-Notice-28-August-2024.pdf</a>
28 August 2024	28 September 2024	<p><b>Changes outlined:</b></p> <ul style="list-style-type: none"> <li>Changes were made to the strategic asset allocation for the Sustainable Growth investment option's overall growth and defensive asset splits, and strategic asset allocations.</li> <li>There are changes to the way that HESTA will address poor financial practices. From 28 September 2024 the poor financial practices exclusion for the Sustainable Growth investment option will no longer apply.</li> <li>The Sustainable Growth investment option continues to hold a very limited number of transitioning companies that generate &gt;50% of their revenue from the provision of services to the oil and gas sector. The expected date for these investments to be exited is now July 2025, to allow for the exit of these illiquid assets in a manner consistent with the best financial interests of members.</li> <li>The actual Investment Fees and Costs and Transaction costs incurred by the fund for the FY 2023/24 have been updated in the PDS.</li> <li>The amount paid from fund assets was determined to be 0.04% p.a. of funds under management for FY 2023/24 and has been updated in the PDS. This amount is paid from fund assets and not member accounts.</li> </ul>	<p><b>Impacted groups:</b></p> <p>HESTA Income Stream, Term Allocated pension (TAP), and HESTA for Mercy Income Stream members.</p> <p><a href="https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-income-stream-significant-event-notice-28-August-2024.pdf">https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-income-stream-significant-event-notice-28-August-2024.pdf</a></p> <p><a href="https://www.hestaformercy.com.au/content/dam/hesta-for-mercy/HESTA-for-Mercy-Income-Stream-Significant-Event-Notice-28-August-2024.pdf">https://www.hestaformercy.com.au/content/dam/hesta-for-mercy/HESTA-for-Mercy-Income-Stream-Significant-Event-Notice-28-August-2024.pdf</a></p>

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12 September 2023	Varies	<p><b>Changes outlined:</b></p> <ul style="list-style-type: none"> <li>Effective 30 September 2023, following the annual investments review, changes were made to the investment objectives, probable number of negative annual returns over 20 years and the risk levels, growth/defensive asset splits, strategic asset allocation and ranges of certain options.</li> <li>HESTA for Mercy Super members: From 1 July 2023, the PDS description of unit pricing was updated for clarity around how money in and investment switches are treated.</li> <li>In the 1 July 2023 HESTA, HESTA Personal Super, HESTA Corporate Super and HESTA for Mercy Super PDS's, updated to provide more detail of the associated financial risks, aligned to how investment risks are being considered and managed.</li> <li>The actual Investment Fees and Costs and Transaction costs incurred by the fund for the FY2022/23 have been updated in the PDS.</li> <li>In some years the amount deducted from the Fund Development Reserve may exceed the amount paid into the reserve. For the 12 months to 30 June 2023, the excess amount was determined to be 0.04% p.a. of funds under management, paid from the Fund Development Reserve, and not deducted from member accounts.</li> <li>From 1 July 2023, Corporate Super members: Insurance update to inform that our insurer will only pay benefits in respect of one disability at a time.</li> <li>How amounts are allocated to accounts updates: amounts received by HESTA are held in a trust account before they are allocated to a member's account. HESTA retains the interest (if any) earned on amounts held within the trust account.</li> </ul>	<p><b>Impacted groups:</b> HESTA, HESTA Personal Super, HESTA Corporate Super, and HESTA for Mercy Super members.</p> <p><a href="https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-super-significant-event-notice-12-September-2023.pdf">https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-super-significant-event-notice-12-September-2023.pdf</a></p> <p><a href="https://www.hestaformercy.com.au/content/dam/hesta-for-mercy/HESTA-for-Mercy-Super-Significant-Event-Notice-12-Sep-2023.pdf">https://www.hestaformercy.com.au/content/dam/hesta-for-mercy/HESTA-for-Mercy-Super-Significant-Event-Notice-12-Sep-2023.pdf</a></p>
12 September 2023	Varies	<p><b>Changes outlined:</b></p> <ul style="list-style-type: none"> <li>Effective 30 September 2023, following the annual investments review, changes were made to the investment objectives, probable number of negative annual returns over 20 years and risk levels, growth/defensive asset splits, strategic asset allocation and ranges of certain options.</li> <li>HESTA for Mercy Income Stream members: From 1 July 2023, the description of unit pricing was updated for clarity around how money in and investment switches are</li> </ul>	<p><b>Impacted groups:</b> HESTA Income Stream, Term Allocated pension (TAP), and HESTA for Mercy Income Stream members.</p> <p><a href="https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-">https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-</a></p>

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		<p>treated.</p> <ul style="list-style-type: none"> <li>In the 1 July 2023 HESTA Income Stream and HESTA for Mercy Income Stream PDSs, updated disclosure to provide more detail of associated financial risks, aligned to how investment risks are being considered and managed.</li> <li>The actual Investment Fees and Costs and Transaction costs incurred by the fund for the FY2022/23 have been updated in the PDS.</li> <li>In some years the amount deducted from the Fund Development Reserve may exceed the amount paid into the reserve. For the 12 months to 30 June 2023, the excess amount was determined to be 0.04% p.a. of funds under management, which was paid from the Fund Development Reserve, and not deducted from member accounts.</li> <li>How amounts are allocated to accounts updates: amounts received by HESTA are held in a trust account before they are allocated to a member's account. HESTA retains the interest (if any) earned on amounts held within the trust account.</li> </ul>	<p><a href="#">income-stream-significant-event-notice-12-September-2023.pdf</a></p> <p><a href="https://www.hestaformercy.com.au/content/dam/hesta-for-mercy/HESTA-for-Mercy-Income-Stream-Significant-Event-Notice-12-Sep-2023.pdf">https://www.hestaformercy.com.au/content/dam/hesta-for-mercy/HESTA-for-Mercy-Income-Stream-Significant-Event-Notice-12-Sep-2023.pdf</a></p>
26 April 2023	1 July 2023	<p><b>Changes to members' insurance cover</b></p> <p>We have made some changes to our insurance cover, including the insurance fees charged effective 1 July 2023 which include:</p> <ul style="list-style-type: none"> <li><b>The insurance terminology we use.</b></li> <li><b>The way insurance fees are determined</b>– using members' actual age, not age bands.</li> <li><b>Introduction of Office-based Occupation Category</b> – replaces Management occupation classification and an expanded eligibility criteria.</li> <li><b>Insurance terms and conditions</b> enhancements: <ul style="list-style-type: none"> <li>90 days to apply for additional cover when insurance cover starts automatically for the first time.</li> <li>Increased threshold for 'other income' while partially disabled and receiving an IP benefit.</li> <li>Further clarification in the policy regarding IP and Centrelink benefits</li> <li>Removal of grandfathered "Totally Disabled/Total Disablement" definition.</li> </ul> </li> </ul>	<p><b>Impacted groups:</b></p> <p>HESTA and HESTA Personal Super members</p> <p><a href="https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-and-HESTA-Personal-Super-significant-event-notice-26-April-2023.pdf">https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-and-HESTA-Personal-Super-significant-event-notice-26-April-2023.pdf</a></p>

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26 April 2023	1 July 2023	<b>Changes to the Total and Permanent Disability (TPD) definition</b> We have removed the previous “basic activities associated with work” TPD definition that applies to members with TPD Cover who at the Date of Disablement had been working less than 15 hours per week for the preceding three-month period making it easier for these members to meet the requirements for total and permanent disability.	<b>Impacted group:</b>  HESTA Corporate Super members  <a href="https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-Corporate-Super-significant-event-notice-26-April-2023.pdf">https://www.hesta.com.au/content/dam/hesta/Documents/HESTA-Corporate-Super-significant-event-notice-26-April-2023.pdf</a>

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