Vanguard Super SpendSmart and TransitionSmart Product Disclosure Statement

Issued by Vanguard Super Pty Ltd (ABN 73 643 614 386 / AFS Licence 526270) as the trustee of Vanguard Super.

1 July 2026

Important Update

From 1 July 2026, there will be updates to how your super is taxed which is disclosed in the Vanguard Super SpendSmart and TransitionSmart Product Disclosure Statement (**PDS**) dated 1 October 2025.

About this Important Update

This update has been issued by Vanguard Super Pty Ltd (**Trustee**, **Vanguard**, **we**, **us** or **our**) for the purposes of updating information in the PDS dated 1 October 2025. This update should be read in conjunction with the PDS.

Updates to the PDS

The updated information is shown in **red** so that you can easily see what has changed.

1. On page 9 of the PDS, the following paragraph in the **'What's your total super balance?'** section is restated with the updates below.

   You can invest as much as you want in your Vanguard Super TransitionSmart account. But remember that your account balance counts towards your total super balance (with some limited exceptions). If your total super balance (across all super accounts you hold including pension accounts) is more than **$2.1** million from **1 July 2026**, this can impact your eligibility for certain super-related measures, such as the Government co-contribution made to your super account. Find out more at **ato.gov.au** or speak with a financial adviser.

2. References to the commencement or duration of the financial year have been updated from 1 July 2025 to 1 July **2026**, 2025 to **2026**, 2026 to **2027** and/or 2025-26 to **2026-27** in the sections below. All other information remains unchanged.
   - Page 10 of the PDS: **'Q: How do the minimum and maximum pension payments work?'**
   - Page 12 of the PDS: **'Q: How do the minimum pension payments work?'**
   - Page 50 of the PDS: **'Low income tax offset'**.

3. On page 11 of the PDS, the following paragraph in the **'Maximum investment amount?'** section is restated with the updates below.

   The Government limits how much super you can transfer into pension accounts such as Vanguard Super SpendSmart. This is called the transfer balance cap and it's a lifetime limit. For the **2026-27** financial year, the transfer balance cap is

$2.1 million. If you started a pension with any superannuation fund after 1 July 2017, your personal transfer balance cap will be between $1.6 million and **$2.1** million. You can see how you're tracking towards your personal cap through the ATO services tab of your myGov account.

4. On page 32 of the PDS, the following footnote is restated with the updates below.

   *If your reversionary beneficiary already has an existing pension account, the total amount across the accounts cannot exceed their personal transfer balance cap, which will be between $1.6 million and **$2.1** million. The reversionary beneficiary has 12 months to restructure their accounts to come under the limit.

5. On page 49 of the PDS, the following paragraph in the **'When you start'** section is restated with the updates below.

   You generally won't pay any tax on the money used to open your account. However, if any of the super you are using to start your account comes from an 'untaxed scheme' (these are typically older public sector funds for public servants), tax will apply as follows:

   - If you are rolling over a large amount from an untaxed scheme (i.e. over the cap of **$1.935** million in the **2026-27** financial year) the excess above the cap would be taxed to your former fund at the top marginal tax rate plus the Medicare levy (47%). Whatever is left of the excess above the cap is received and held by the Fund as part of your tax-free component, and
   - for any whole or part of an untaxed scheme below that indexed cap, it is transferred to us and taxed at 15% when received by the Fund (the remaining balance becomes part of your taxable component in the Fund).

6. On page 50 of the PDS, the following is added under '**How your account is taxed**' section as the final paragraph.

   Division 296 tax – members with high superannuation balances

   Members with a total superannuation balance exceeding $3 million may be subject to Division 296 tax – an additional personal tax on a proportion of their calculated superannuation earnings – separate from and in addition to the tax rates described above. Visit ato.gov.au or speak with a financial adviser to understand whether this applies to you.

7. All references in the PDS to tax on investment earnings are taken to be modified by the information contained in the new paragraph about Division 296 tax on high superannuation balances (set out in paragraph 6 above), including information in:

   - Page 4 of the PDS: **'About Vanguard Super'** ***(diagram)***
   - Page 7 of the PDS: **'How are investment earnings taxed?'**
   - Page 11 of the PDS: **'About the Vanguard Super SpendSmart account'**.

If you have any questions, please contact Vanguard Client Services.
Monday to Friday, 8am to 6pm (AET)
Retail investors - **1300 655 101**
Financial advisers - **1300 655 205**

This Important Update has been prepared and issued on 1 July 2026. The information in this update is general information only and doesn't take into account your personal objectives, financial situation or needs. For that reason, you may consider seeking financial advice suited to your own circumstances. Before making any investment decisions, you should refer to the relevant Product Disclosure Statement and Target Market Determination available at vanguard.com.au/super or by calling 1300 655 101.

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