A guide to completing your tax return for the 2025/2026 financial year

About this guide

This Tax Guide is to help you understand your 2026 Annual Tax Statement. Use this guide if you:

- Are an individual investor;
- Pay personal tax in Australia; and
- Hold investments in a Fund/Trust as a capital investment for tax purposes.

We recommend you read this guide alongside your Annual Tax Statement and the 'Tax return for individuals (supplementary section)' form, from the Australian Taxation Office (ATO).

For Guidance Only
This guide is only to be used by Australian residents for tax purposes in preparing individual tax returns. It contains general information only. It does not consider your personal circumstances or constitute tax advice. It is not designed to substitute any Australian Taxation Office (ATO) requirements or instructions. We recommend you seek professional assistance when completing your tax return. If you have questions about your tax return, please consult your tax adviser or the ATO.

Annual Tax Statement: Part A Tax Return (Supplementary Section)

This part in your Annual Tax Statement summarises the income components which you may have in your distribution. It has been designed to help you complete your tax return for 2026. The tax return labels in your Annual Tax Statement reflect the labels in the tax return (supplementary section) form.

The table below also highlights the income tax components which you may need to be aware of when completing the form.

Income component on your Annual Tax Statement	Include amount at this tax return (supplementary section) label	Explanation
Non-primary production income	13U	Your share of Australian sourced non-primary production income from the Fund/Trust. It excludes income which is shown elsewhere on your Annual Tax Statement, such as franked dividends, capital gains and foreign income.
Franked distributions from trusts	13C	Franked distributions, including franking credits.
Other deductions relating to non-primary production distributions	13Y	The total of other deductible expenses you incurred in deriving the non-primary production income, including any deductible expenses relating to franked distributions from the Fund/Trust.
Franking credits	13Q	This is your share of franking credits which you may be entitled to claim as a tax offset. Please refer to the ATO website for more details: **https://www.ato.gov.au/individuals-and-families/investments-and-assets/investing-in-shares/owning-shares/refunding-franking-credits-individuals**

Credit for tax file number (TFN) amounts withheld	13R	This is withholding tax that has been deducted from payments made to you during the financial year, because you didn't provide a tax file number (TFN).
Net capital gain	18A	This reflects the total capital gains (Label 18H) after applying the 50% discount which is included in your distribution. In understanding the amount to include in 18A in your tax return, you will need to consider whether any of the following items are relevant to you in respect of other capital gains or loss items from other investments you may have: • capital losses from this year; • unapplied net capital losses from prior years; • any CGT discounts on discounted capital gains; • the small business 50% active asset reduction; and • the small business retirement exemption or rollover. More information can be found at the ATO website: **www.ato.gov.au/General/Capital-gains-tax/**
Total current year capital gains	18H	This includes the following amounts which have been used in determining the amount distributed to you: • capital gains – discount method: This item is shown before the application of the 50% discount; • capital gains – indexation method; • capital gains – other method; and capital gains from foreign sources.
Foreign entities - CFC income	19K	The amount of any foreign income earned from direct or indirect interest in a controlled foreign company (CFC).
Assessable foreign source income	20E	The amount of any foreign income earned from investments which is not exempt from paying tax in Australia, before any foreign tax paid or withheld on this income.
Other net foreign source income	20M	This item reflects the assessable foreign source income disclosed in Label 20E after applying any deductible expenses incurred in relation to earning this income.
Australian franking credits from a NZ company	20F	This is your share of Australian franking credits from New Zealand franking companies which you may be entitled to claim as a tax offset.
Foreign income tax offsets	20O	This includes the foreign tax paid or withheld in respect of the assessable foreign source income you disclosed in Label 20E. Your actual entitlement of foreign tax offset depends on your individual circumstances. For assistance, please refer to the ATO website: **https://www.ato.gov.au/forms-and-instructions/foreign-income-tax-offset-rules-guide-2026**

Please note, only those distribution components that apply to your investment will appear on your Annual Tax Statement.

Part C of your Annual Tax Statement – Components of a distribution

You will need to include in your 2026 Income Tax Return, all the distributions made to you by the Fund/Trust for the period 1 July 2025 to 30 June 2026.

The distributions may include several tax components that have different tax treatments.

A summary of these and the likely tax treatment of certain components which appear on the Annual Tax Statement for the Fund/Trust are set out below.

Australian income

These details are included in:

- Label 13U Non-primary production – Share of net income from the Fund/Trust less capital gains, foreign income and franked distributions, and
- Label 13C Non-primary production – Franked distributions from trusts.

This information may be necessary if you need to complete the Application for refund of franking credits for individuals 2026 form. More information and to access the Refund of franking credits instructions and application for individuals 2026 can be found on the ATO's website.

Annual Tax Statement Table 2: Capital gains

Taxable Australian Property (TAP) and Non-Taxable Australian Property (Non-TAP) capital gains

Your Annual Tax Statement will outline the extent to which any taxable capital gains are attributable to TAP or Non-TAP. Australian tax residents are assessed on both TAP and Non-TAP capital gains. However, non-Australian tax residents are only assessed on TAP gains.

Capital gains discount

This shows the discounted capital gains after applying the 50% capital gains tax (CGT) discount that is included in your share of the net income of the Fund/Trust.

Capital gains – other method

This is the capital gains from your share of the net income from the Fund/Trust which was not eligible for the 50% CGT discount.

Net capital gain

Net capital gains (discount and other methods) is included in your share of the net income of the Fund/Trust.

If in the current year you don't have any capital losses or net capital losses which were previously not applied, this figure can be used directly to complete Label 18A.

If in the current year you do have capital losses or net capital losses which were previously not applied, these can be applied against your share of capital gains for the current year.

More information can be found in the Guide to capital gains tax 2026 or Personal investors guide to capital gains tax 2026 on the ATO's website.

Capital gains concession

This includes CGT discount amounts paid to you. You don't have to adjust the cost base or the reduced cost base of your membership interest in the Fund/Trust for this amount.

Foreign income

Other net foreign source income

The income derived from foreign sources including dividend, interest, any other foreign source investment income and foreign tax paid on those amounts.

Tax offsets

Franking credit tax offset

The total amount of the franking credits available to you, to claim as a tax offset.

Foreign income tax offset

The foreign income tax offset is an amount of foreign income tax paid that counts towards a tax offset under Division 770 of the Income Tax Assessment Act 1997.

This is the maximum amount which you may be able to claim in respect of the foreign income attributed to you by the Fund/Trust.

More information can be found in the Guide to foreign income tax offset rules 2026 on the ATO's website.

Other non-assessable amounts

Tax exempt amounts

You are not required to adjust the cost base or the reduced cost base of your membership interest in the Fund/Trust for this amount.

Tax free amounts

For a tax-free amount you are required to minimise the reduced cost base, but not the cost base, of your membership interest in the Fund/Trust by the tax-free amount.

Tax deferred amounts

You are required to reduce the cost base and the reduced cost base of your membership interest in the Fund/Trust by this amount.

Other deductions from distributions

TFN amounts withheld

This shows the amount withheld from your distributions where you have not provided a Tax File Number (TFN) or details of TFN exemption to the Fund/Trust. You should be able to claim the amount withheld shown.

Please note: The above information assumes that you don't have any current year capital losses or net capital losses from prior years to offset against the capital gains distributed to you from your investments with Australian Ethical. For further information please contact your tax adviser or the ATO.

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Guide to your tax statement

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Australian Ethical Investment Ltd
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Page
1 of 4

Date
25 June 2026

Account Name
SAMPLE INVESTOR LTD

Account Number
00000000

Account Holder Name **TFN/ABN**

Financial Adviser

Annual Tax Statement

Australian Ethical Altius Short Duration Bond Fund
01 July 2025 to 30 June 2026

Dear Investor(s)

Please find below your Annual Tax Statement for the year ended 30 June 2026 for your investment in the Australian Ethical Altius Short Duration Bond Fund.

The following tax return items are valid for Australian resident individual unitholders only. Please retain this statement for tax purposes.

Part A Tax Return (Supplementary Section)	Summary of tax return (supplementary section) items	
	Amount ($)	Tax return label
Non-primary production income		13U
Franked distributions from trusts		13C
Franking credits		13Q
Credit for tax file number (TFN) amounts withheld		13R
Share of credit for foreign resident amounts withheld		13A
Net capital gains		18A
Total current year capital gains		18H
Foreign entities - CFC income		19K
Assessable foreign source income		20E
Other net foreign source income		20M
Australian franking credits from a NZ company		20F
Foreign income tax offsets*		20O

* If your total foreign income tax offset from all sources for the year is $1,000 or less, then you can claim this amount in full. Otherwise, you will need to refer to the publication *Guide to income tax offset rules (NAT 72923)* to work out your entitlement.