

2021 SUPPLEMENTARY ANNUAL REPORT

Mercer Super Trust Suncorp Pension Superannuation Plan

Issued December 2021

Your Mercer Super Trust 2021 Annual Report consists of three parts:

Part one – The Mercer Super Trust 2021 Annual Report - which contains a general update on the Mercer Super Trust and tells you about the changes that have been made to the Mercer Super Trust during the year to 30 June 2021. These changes may have an impact on your super now and in the future so it's important that you carefully read the section entitled 'Changes to the Mercer Super Trust' to see how this applies to you.

Part two – The Investment Options Details booklet - which contains information relating to the investment options available in the Corporate Superannuation Division and Allocated Pension Division. This includes investment performance, asset allocation and Indirect Cost Ratios for these investment options for the year ended 30 June 2021.

Part three – Your 2021 Supplementary Annual Report which contains additional information specific to your plan for the year ended 30 June 2021.

All parts should be read in conjunction and kept together for future reference. A reference to this Annual Report means parts one, two and three collectively unless the context requires otherwise.

ABOUT YOUR PLAN

Plan assets

| | |
|---------------------------------|-------------|
| As at 30 June 2021 [^] | \$9,711,368 |
|---------------------------------|-------------|

[^] This figure is on a cash basis. This means that it does not allow for any accruals such as outstanding contributions or benefits due as at 30 June 2021.

YOUR PLAN STYLE

Your plan provides members with defined benefit style super where generally some or all of your super relates to salary and years of membership/service.

EMPLOYER SUPERANNUATION GUARANTEE CONTRIBUTIONS

By law your employer is generally required to provide a minimum level of super for its employees - the Superannuation Guarantee (SG). There may be some circumstances where your employer is not required to meet the SG. The SG is the amount the employer must provide for each employee, not a minimum amount to be contributed to each fund. Your employer may provide the SG through more than one fund. The SG rates are set out below:

| Period | SG - % of Ordinary Time Earnings (OTE*) |
|-----------------------------|---|
| 1 July 2020 to 30 June 2021 | 9.50% |
| 1 July 2021 to 30 June 2022 | 10.00% |

* OTE is generally remuneration including your regular salary or wages, salary sacrifice superannuation contributions, any over-

award payments, shift allowances, bonuses and commissions. It generally does not include overtime payments or benefits subject to fringe benefits tax.

An employer is only required to provide SG on OTE up to the maximum contribution base, which is \$57,090 per quarter for the year ending 30 June 2021 (\$58,920 per quarter for the year ending 30 June 2022) and is indexed on each 1 July.

For employee members, the benefits paid by the plan must be equal to or greater than a minimum level specified by your plan's actuary. This amount is deemed to be equivalent to an employer contribution equal to the SG amount.

The amount your employer contributes varies depending on the advice of an actuary. At least every three years, the plan's actuary prepares an investigation report that states how much your employer needs to contribute so that plan assets are expected (on the actuary's assumptions) to be sufficient to meet any super payouts now and in the future.

Please see 'Financial position of the plan' for more information about employer contributions and the financial position of the plan generally.

FINANCIAL POSITION OF THE PLAN

As at 30 June 2021, the value of the plan's assets was 104% of (greater than) the sum of all members' super payouts assuming all employed members ceased employment at that date and other members were paid their **Accrued Benefit amount**. This means the plan was in a satisfactory financial position at that date, as defined by superannuation legislation.

Since the last actuarial investigation, 30/06/2020, your employer [has/has not] contributed in line with the contributions recommended by the plan's actuary.

In the event of your plan being wound up while the value of the plan's assets is lower than the sum of all members' super payouts assuming all employed members ceased employment at that date, your actual super payout may be less than your leaving service payout i.e. your leaving service payout may be reduced. Benefit entitlements of lifetime pensioners and former employees with retained benefits may also be reduced. However, your employer may choose to make an additional contribution at that time to make up the difference.

Note that the trustee has not been advised of any intention to wind up the plan at the date of this report - the above is provided for information purposes only.

*Note: Any reference to members in the above section includes defined benefit members and lifetime pensioners of the plan.

ACCRUED BENEFITS CALCULATION

As at 30 June 2021, the value of the plan's assets was 104% of (i.e. greater than) the plan's accrued benefits. As at 30 June 2021, the plan's accrued benefits amounted to \$9,711,368.

The plan's accrued benefits are:

- For defined benefit members, the actuarial present value at the valuation date of the amount required to meet the proportion of future benefit payments attributed to membership completed at the valuation date.
- For pensioners, the present value of their future pension payments.

The main assumptions used to determine the value of accrued benefits for defined benefit members and pensioners are shown below.

The plan's actuary considers the following movements in the assumptions used to calculate the accrued benefits are reasonably possible for the reporting period:

| Assumption | Rate used at 30 June 2021 | Reasonably possible change | Amount of increase in accrued benefits | Amount of decrease in accrued benefits |
|--|---------------------------|----------------------------|--|--|
| Discount Rate (or Investment earning rate) | 4.50% | +1% | \$688,078 | |
| | | -1% | | \$595,095 |
| Salary adjustment rate | 0.00% | NA | \$101,724 | |
| | | NA | | \$82,431 |
| Pension indexation rate (if applicable) | 2.00% | +0.5% | 325,442 | |
| | | -0.5% | | \$306,846 |

POLICY COMMITTEE

Your plan does not currently have a policy committee in place.

A policy committee made up of equal member-elected and employer-appointed representatives, can be established in the future following a request in writing from at least five plan members.

CHANGE IN NET ASSETS IN YOUR PLAN TO 30 JUNE 2021

| | |
|-----------------------------------|--------------------|
| Net assets at 1 July 2020 | \$9,737,249 |
| Plus | |
| Net investment revenue | \$643,603 |
| Employer contributions* | \$420,000 |
| Member contributions | \$0 |
| Government co-contributions | \$0 |
| Transfers from other funds | \$0 |
| Insurance proceeds | \$0 |
| Total revenue | \$1,063,603 |
| Less | |
| Benefits paid | \$328,180 |
| Administration fees | \$920,666 |
| Group insurance premiums | \$0 |
| Contributions and surcharge tax | \$(159,362) |
| Total expenses | \$1,089,484 |
| Equals | |
| Net assets#at 30 June 2021 | \$9,711,368 |

* The amounts shown as employer contributions include any pre-tax or salary sacrifice member contributions.

This may include unallocated assets which may be used to pay plan expenses, insurance premiums and for any other purpose approved by the trustee. This information has been prepared on a cash basis.

The financial information contained in this Supplementary Annual Report for your plan has not been audited. This information does form part of the full financial accounts for the Mercer Super Trust in which your plan participates. You can request a copy of the Mercer Super Trust full audited accounts and the auditor's report by contacting Helpline.

This Supplementary Annual Report has been issued by Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533, Australian Financial Services Licence #235906, the trustee of the Mercer Super Trust ABN 19 905 422 981. Mercer is a registered trademark of Mercer (Australia) Pty Ltd (Mercer) ABN 32 005 315 917.

The information contained in this Supplementary Annual Report includes general product advice which has been prepared without taking into account the personal objectives, financial situation or needs of individual members. Before making any decisions about your super, you should consider the information in light of your own objectives, financial situation and needs and read and consider the current Product Disclosure Statement (PDS) and/or other member materials specific to your plan. Copies of these documents are available at mercersuper.com (use your personal login) or by calling the Helpline.

It is also recommended that you obtain advice from a licensed, or appropriately authorised, financial adviser.

You should be aware that the value of an investment in the Mercer Super Trust may rise and fall. Neither MSAL, Mercer nor any of the investment managers guarantees the investment performance, earnings or return of capital invested in the Mercer Super Trust. © 2021, Mercer LLC. All rights reserved.

STATEMENT OF FINANCIAL POSITION OF YOUR PLAN AT 30 JUNE 2021

Assets (investment options)

| | |
|---|--------------------|
| Ready-made investment options | |
| Mercer SmartPath | \$0 |
| Mercer Diversified Shares | \$0 |
| Mercer High Growth | \$0 |
| Mercer Select Growth | \$0 |
| Mercer Moderate Growth | \$0 |
| Mercer Conservative Growth | \$9,711,368 |
| Mercer Cash | \$0 |
| Select-your-Own investment options | |
| Mercer Sustainable Plus Shares | \$0 |
| Mercer Sustainable Plus Australian Shares | \$0 |
| Mercer Sustainable Plus Global Shares | \$0 |
| Mercer Sustainable Plus High Growth | \$0 |
| Mercer Sustainable Plus Growth | \$0 |
| Mercer Sustainable Plus Moderate Growth | \$0 |
| Mercer Sustainable Plus Conservative Growth | \$0 |
| Mercer Australian Shares | \$0 |
| Mercer International Shares | \$0 |
| Mercer International Shares - Hedged | \$0 |
| Mercer Property | \$0 |
| Mercer Fixed Interest | \$0 |
| Mercer Passive Australian Shares | \$0 |
| Mercer Passive International Shares | \$0 |
| Mercer Passive Australian Listed Property | \$0 |
| Mercer Enhanced Passive Growth | \$0 |
| Mercer Enhanced Passive Conservative Growth | \$0 |
| Mercer Direct | \$0 |
| Total | \$9,711,368 |