

Mercer Super Trust

# 2021

Mercer Easy - Newcastle

Supplementary  
Annual Report

Part three

Prepared December 2021



# Important information

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

**Part one – Your Mercer Super Trust 2021 Annual Report** - 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** - 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. Information for Mercer Easy – Newcastle is found in Part three.

**Part three – This 2021 Supplementary Annual Report** – contains information relating to the investment options available in Mercer Easy – Newcastle. This includes investment performance, asset allocation and Indirect Cost Ratios for these investment options 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.

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# Welcome to the 2021 Mercer Easy - Newcastle Supplementary Annual Report

Your 2021 Annual Report and 2021 Mercer Easy - Newcastle Supplementary Annual Report are issued by the trustee, Mercer Superannuation (Australia) Limited (MSAL).

## Mercer Easy - Newcastle key metrics

Mercer Easy - Newcastle Key Metrics	
Membership numbers as at 30 June 2021	1,144
Assets as at 30 June 2021 <sup>^</sup>	\$65,124,218

<sup>^</sup>This figure is prepared 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.



# Important information about your super and pension

## **Binding death nominations**

The trustee encourages members to review any nominations they have in place on a regular basis.

If you have made a valid Binding Death Benefit Nomination, note that it will expire after 3 years. If your Binding Death Benefit Nomination has lapsed the benefit will be paid to your Legal Personal Representative to become part of your Estate. If your Legal Personal Representative cannot be found, the benefit will be paid to one or more of your Dependants in the proportions determined by the trustee. If the trustee cannot find your Legal Personal Representative or your Dependants it will pay the benefit to other people chosen by the trustee.

## **Consolidating your super has never been so easy**

We can help bring all your accounts together over the phone; with no paperwork, no hassle. Call our Helpline on **1800 931 040** or, you can do it online at **[mercersuper.com](https://www.mercersuper.com)**.

# Investment information

## Your investment options in detail

### You can choose from a range of investment options in Mercer Easy - Newcastle, which have different investment styles and asset classes.

The menu of investment options available is specific to Mercer Easy - Newcastle, and whether you prefer to leave the hard work to us or if you prefer to have some control over your investments, we have you covered.

You can create your own investment mix by choosing a combination from our range of investment options giving you the option to get more involved with how your funds are invested.

#### See the following pages for information on each investment option, as follows:

- Super - Ready-made options (page 4)
- Super - Select-your-own investment options (pages 5 to 8)
- Pension - Ready-made options (pages 8)
- Pension - Select-your-own investment options (pages 9 to 10).

#### Investment Managers

The investment manager for the Newcastle Cash investment option is Newcastle Permanent Building Society ABN 96 087 651 992 AFSL 238273. Please refer to Part 1 of the Mercer Super Trust 2020 Annual Report for a list of the investment managers that apply to the other Mercer Easy – Newcastle investment options.

## Notes to the investment option tables on pages 5 to 11

#### Investment Performance

N/A indicates that the investment option was not operating for the relevant period.

The investment returns shown in this Supplementary Annual Report do not take into account the unique characteristics that apply to each member (such as timing of cashflows). As a result, the actual returns applying to a particular member may vary from the investment returns shown.

#### Past performance should not be relied upon as an indicator of future performance.

The performance information contained in this report is up to date at the time of its preparation. You can obtain updated investment performance information by calling our Helpline. We can send you a copy of the updated information, free of charge, on request.

#### Indirect Cost Ratio

The Indirect Cost Ratios (ICR), are for the year ending 30 June 2021. They are based on the actual information available and/or reasonable estimates for the period as at the date of this Supplementary Annual Report. The ICRs may vary from year to year. The ICR consists of indirect costs (including but not limited to, performance related fees, investment fees for direct property and infrastructure managers, any expense allowance charged by external investment trusts or managers, the net explicit transactional and operational costs and Over the Counter Derivative costs used for either hedging and non-hedging purposes) incurred by the underlying investment vehicles of the Mercer Super Trust.

N/A means the investment option does not have any investment in it.

#### Asset Allocation

N/A means that either the investment option was not open for investment or there were no monies invested in it as at 30 June of the relevant year.

#### Expense allowance

For each of the investment options listed in the following pages, the expense allowance charged for the period of 1 July 2020 to 30 June 2021 was 0.058% per annum.

# Mercer Easy - Newcastle Super

## Ready-made Investment options

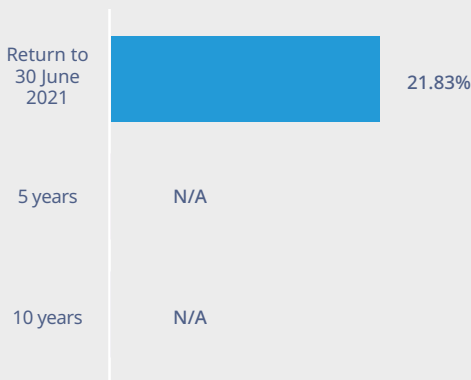
### Mercer High Growth

**Investment Objectives**  
 To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.5% per annum over rolling seven year periods.

#### Indirect Cost Ratio

**0.41%**

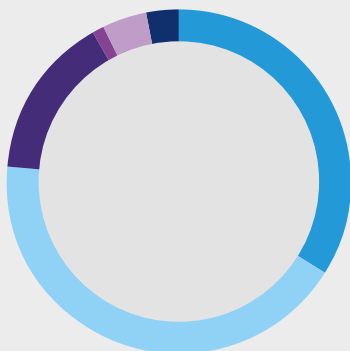
#### Performance



#### Asset Allocation at 30 June

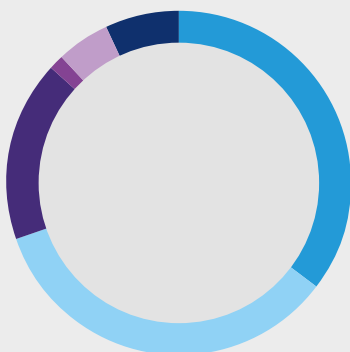
##### 2021

- Australian Shares 34.0%
- International Shares 42.6%
- Real Assets 15.3%
- Alternative Assets 1.1%
- Growth Fixed Interest 4.0%
- Defensive Fixed Interest & Cash 3.0%



##### 2020

- Australian Shares 35.5%
- International Shares 34.3%
- Real Assets 17.0%
- Alternative Assets 1.3%
- Growth Fixed Interest 5.2%
- Defensive Fixed Interest & Cash 6.7%

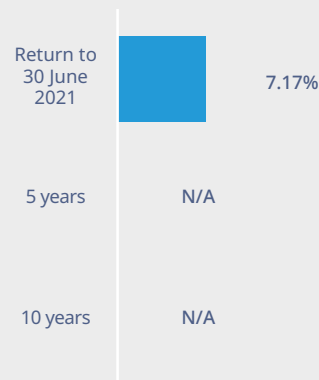


### Mercer Conservative Growth

**Investment Objectives**  
 To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 1.0% per annum over rolling three year periods.

#### Indirect Cost Ratio

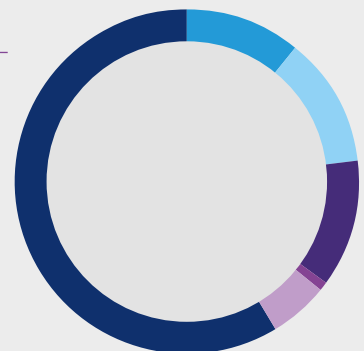
**0.31%**



#### Asset Allocation at 30 June

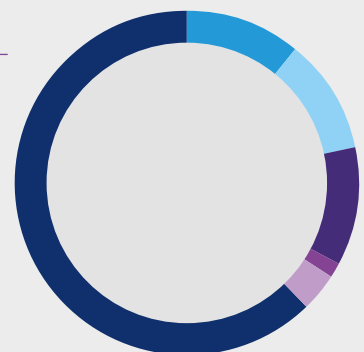
##### 2021

- Australian Shares 10.9%
- International Shares 12.4%
- Real Assets 11.8%
- Alternative Assets 1.0%
- Growth Fixed Interest 5.3%
- Defensive Fixed Interest & Cash 58.6%



##### 2020

- Australian Shares 11.0%
- International Shares 10.9%
- Real Assets 11.0%
- Alternative Assets 1.3%
- Growth Fixed Interest 3.6%
- Defensive Fixed Interest & Cash 62.2%



# Mercer Easy - Newcastle Super

## Select-Your-Own Investment options

### Indexed Diversified Shares



#### Investment Objectives

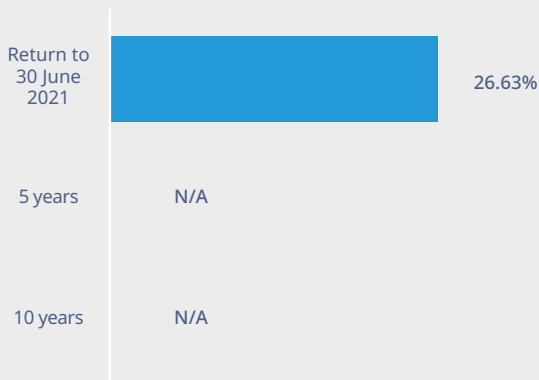
To meet the benchmark return over the medium to long term.

\* Currently the benchmark for this option is a composite of the S&P/ASX 300 Accumulation Index, MSCI World ex Australia (with net dividends reinvested) in Australian dollars Index and the MSCI World ex Australia (with net dividends reinvested).

#### Indirect Cost Ratio

0.05%

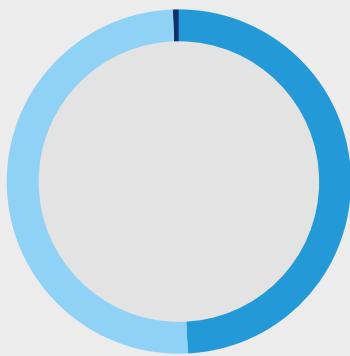
#### Performance



#### Asset Allocation at 30 June

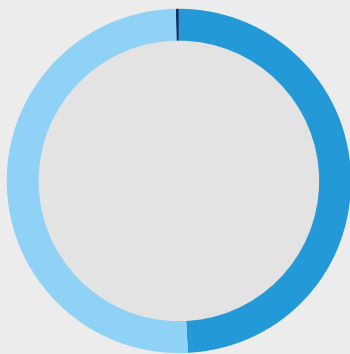
##### 2021

- Australian Shares 49.3%
- International Shares 50.2%
- Real Assets 0.0%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 0.5%



##### 2020

- Australian Shares 49.4%
- International Shares 50.5%
- Real Assets 0.0%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 0.1%



### Enhanced Indexed Conservative Growth



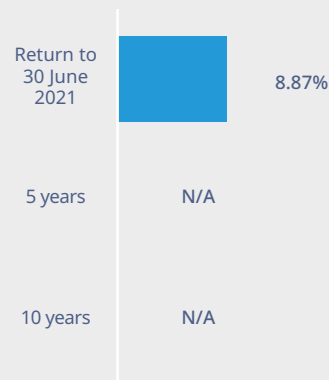
#### Investment Objectives

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 0.5% per annum over rolling three year periods.

#### Indirect Cost Ratio

0.07%

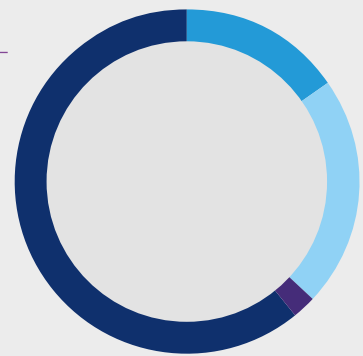
#### Performance



#### Asset Allocation at 30 June

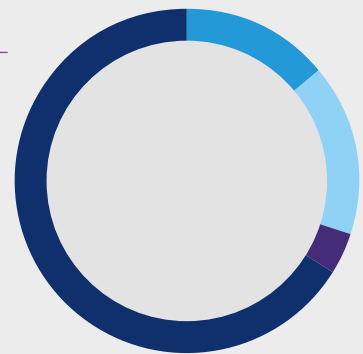
##### 2021

- Australian Shares 15.5%
- International Shares 21.7%
- Real Assets 2.0%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 60.8%



##### 2020

- Australian Shares 14.0%
- International Shares 16.0%
- Real Assets 4.0%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 66.0%





# Mercer Easy - Newcastle Super

## Select-Your-Own Investment options

### Enhanced Indexed Growth



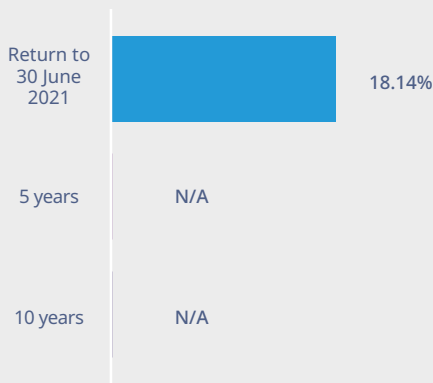
#### Investment Objectives

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2% per annum over rolling five year periods.

#### Indirect Cost Ratio

0.08%

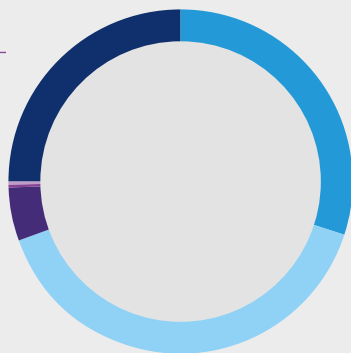
#### Performance



#### Asset Allocation at 30 June

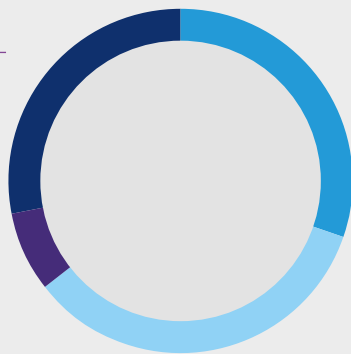
##### 2021

- Australian Shares 30.0%
- International Shares 39.7%
- Real Assets 5.0%
- Alternative Assets 0.1%
- Growth Fixed Interest 0.2%
- Defensive Fixed Interest & Cash 25.0%



##### 2020

- Australian Shares 30.3%
- International Shares 34.3%
- Real Assets 7.5%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 27.9%



### Mercer Cash



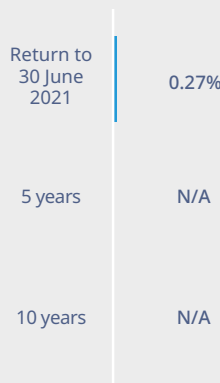
#### Investment Objectives

To maintain the invested capital and to achieve a return above that available on bank bill as measured by the Bloomberg AusBond Bank Bill Index on an annual basis.

#### Indirect Cost Ratio

0.03%

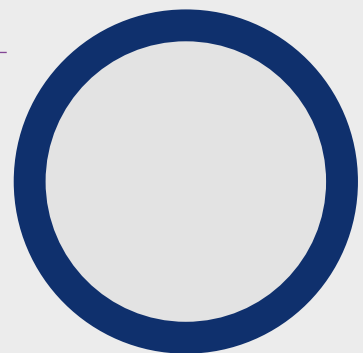
#### Performance



#### Asset Allocation at 30 June

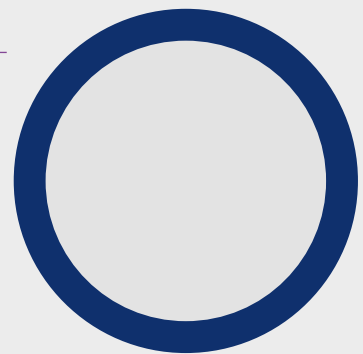
##### 2021

- Australian Shares 0.0%
- International Shares 0.0%
- Real Assets 0.0%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 100.0%



##### 2020

- Australian Shares 0.0%
- International Shares 0.0%
- Real Assets 0.0%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 100.0%



# Mercer Easy - Newcastle Super

## Select-Your-Own Investment options

### Newcastle Cash



#### Investment Objectives

To achieve an annual return (after tax and investment management fees) of at least the Reserve Bank of Australia (RBA) cash rate less an adjustment for tax.

### Indirect Cost Ratio

0.00%

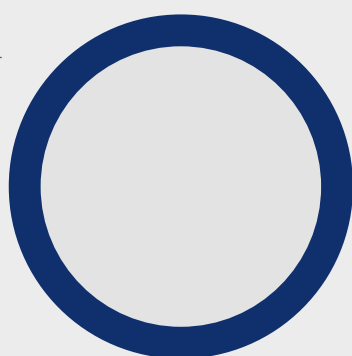
### Performance

Return to 30 June 2021	0.50%
5 years	N/A
10 years	N/A

### Asset Allocation at 30 June

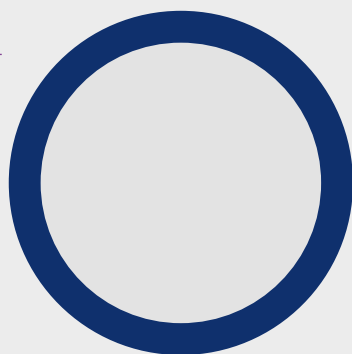
#### 2021

- Australian Shares 0.0%
- International Shares 0.0%
- Real Assets 0.0%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 100.0%



#### 2020

- Australian Shares 0.0%
- International Shares 0.0%
- Real Assets 0.0%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 100.0%



# Mercer Easy - Newcastle Pension

## Ready-made Investment options

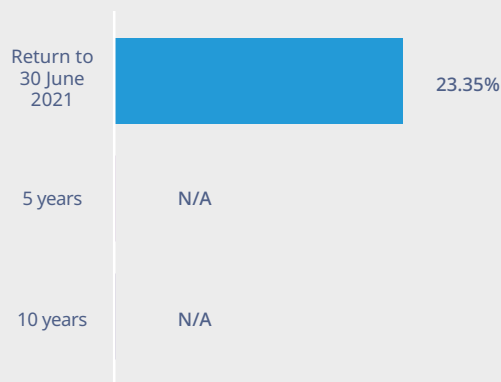
### Mercer High Growth - Pension

**Investment Objectives**  
 To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling seven year periods.

#### Indirect Cost Ratio

**0.40%**

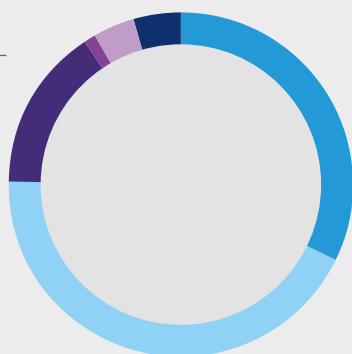
#### Performance



#### Asset Allocation at 30 June

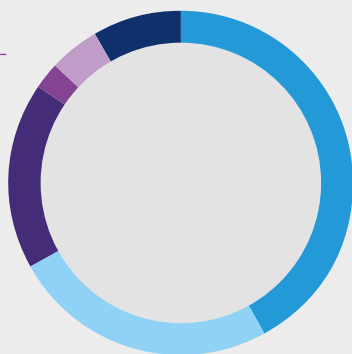
##### 2021

- Australian Shares 32.3%
- International Shares 43.0%
- Real Assets 15.4%
- Alternative Assets 1.1%
- Growth Fixed Interest 4.0%
- Defensive Fixed Interest & Cash 4.2%



##### 2020

- Australian Shares 42.1%
- International Shares 25.1%
- Real Assets 17.4%
- Alternative Assets 2.5%
- Growth Fixed Interest 4.6%
- Defensive Fixed Interest & Cash 8.3%



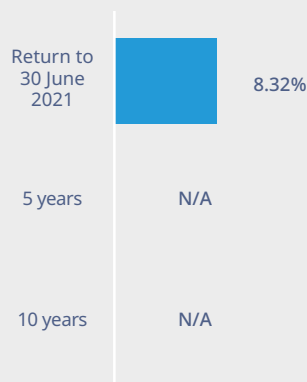
### Mercer Conservative Growth - Pension

**Investment Objectives**  
 To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 1.25% per annum over rolling three year periods.

#### Indirect Cost Ratio

**0.29%**

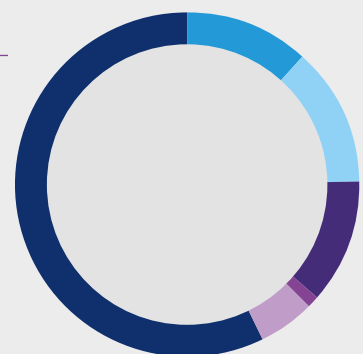
#### Performance



#### Asset Allocation at 30 June

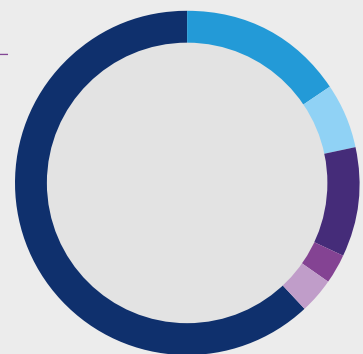
##### 2021

- Australian Shares 11.8%
- International Shares 13.1%
- Real Assets 11.6%
- Alternative Assets 1.1%
- Growth Fixed Interest 5.4%
- Defensive Fixed Interest & Cash 57.0%



##### 2020

- Australian Shares 15.7%
- International Shares 6.0%
- Real Assets 10.3%
- Alternative Assets 2.9%
- Growth Fixed Interest 3.4%
- Defensive Fixed Interest & Cash 61.7%



# Mercer Easy - Newcastle Pension

## Select-Your-Own Investment options

### Indexed Diversified Shares - Pension



#### Investment Objectives

To meet the benchmark return over rolling three year periods.

#### Indirect Cost Ratio

N/A. The investment option did not have any investment at 30 June 2021.

#### Performance

The investment option did not have any investment at 30 June 2021.

#### Asset Allocation at 30 June

##### 2021

- Australian Shares  
N/A
- International Shares  
N/A
- Real Assets  
N/A
- Alternative Assets  
N/A
- Growth Fixed Interest  
N/A
- Defensive Fixed Interest & Cash  
N/A

##### 2020

- Australian Shares  
N/A
- International Shares  
N/A
- Real Assets  
N/A
- Alternative Assets  
N/A
- Growth Fixed Interest  
N/A
- Defensive Fixed Interest & Cash  
N/A

### Enhanced Indexed Conservative Growth - Pension



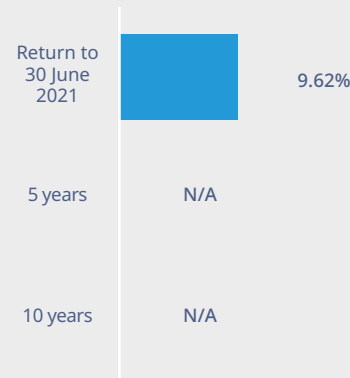
#### Investment Objectives

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 0.5% per annum over rolling three year periods.

#### Indirect Cost Ratio

0.07%

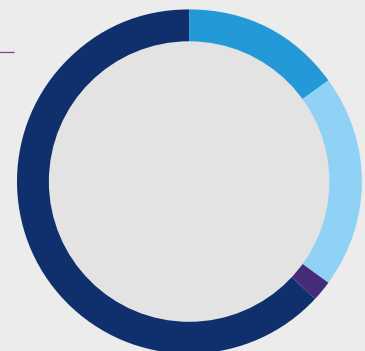
#### Performance



#### Asset Allocation at 30 June

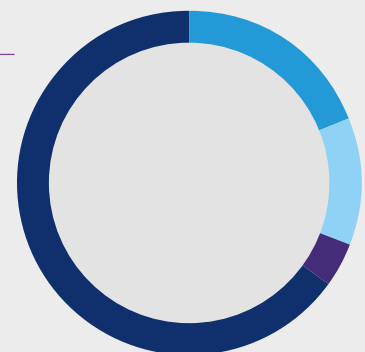
##### 2021

- Australian Shares  
15.1%
- International Shares  
20.0%
- Real Assets  
2.0%
- Alternative Assets  
0.0%
- Growth Fixed Interest  
0.0%
- Defensive Fixed Interest & Cash  
62.9%



##### 2020

- Australian Shares  
19.1%
- International Shares  
12.0%
- Real Assets  
4.1%
- Alternative Assets  
0.0%
- Growth Fixed Interest  
0.0%
- Defensive Fixed Interest & Cash  
64.8%



# Mercer Easy - Newcastle Pension

## Select-Your-Own Investment options

### Enhanced Indexed Growth - Pension

**Investment Objectives**  
 To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.5% per annum over rolling five year periods.

**Indirect Cost Ratio**  
**0.11%**

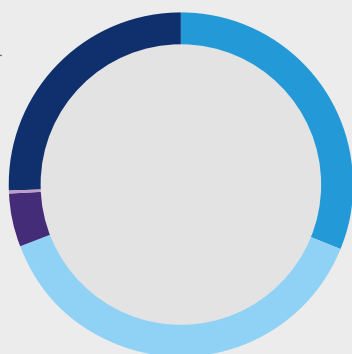
#### Performance

Return to 30 June 2021	20.43%
5 years	N/A
10 years	N/A

#### Asset Allocation at 30 June

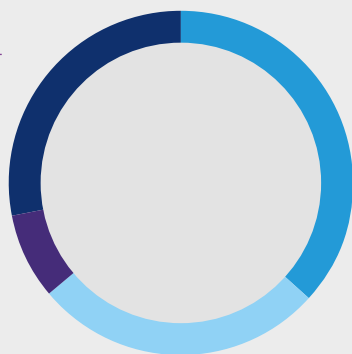
##### 2021

- Australian Shares 31.2%
- International Shares 38.1%
- Real Assets 5.0%
- Alternative Assets 0.1%
- Growth Fixed Interest 0.3%
- Defensive Fixed Interest & Cash 25.3%



##### 2020

- Australian Shares 36.8%
- International Shares 27.3%
- Real Assets 7.9%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 28.0%



### Mercer Cash - Pension

**Investment Objectives**  
 To maintain the invested capital and to achieve a return above that available on bank bill as measured by the Bloomberg AusBond Bank Bill Index on an annual basis.

**Indirect Cost Ratio**  
**0.03%**

#### Performance

Return to 30 June 2021	0.28%
5 years	N/A
10 years	N/A

#### Asset Allocation at 30 June

##### 2021

- Australian Shares 0.0%
- International Shares 0.0%
- Real Assets 0.0%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 100.0%



##### 2020

- Australian Shares 0.0%
- International Shares 0.0%
- Real Assets 0.0%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 100.0%



# Mercer Easy - Newcastle Pension

## Select-Your-Own Investment options

### Newcastle Cash - Pension



#### Investment Objectives

To achieve an annual return (after tax and investment management fees) of at least the Reserve Bank of Australia (RBA) cash rate less an adjustment for tax.

### Indirect Cost Ratio

0.00%

### Performance

Return to 30 June 2021	0.59%
5 years	N/A
10 years	N/A

### Asset Allocation at 30 June

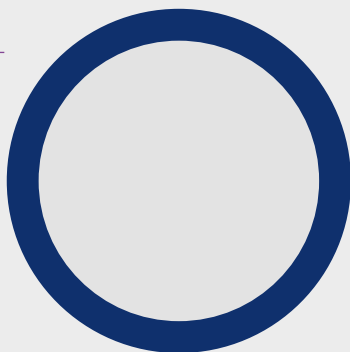
#### 2021

- Australian Shares 0.0%
- International Shares 0.0%
- Real Assets 0.0%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 100.0%



#### 2020

- Australian Shares 0.0%
- International Shares 0.0%
- Real Assets 0.0%
- Alternative Assets 0.0%
- Growth Fixed Interest 0.0%
- Defensive Fixed Interest & Cash 100.0%



# Mercer Easy - Newcastle Super Financials

## Statement of financial position at 30 June 2021

<b>Net assets at 1 July 2020</b>	<b>\$47,655,635</b>
PLUS	
Net investment revenue	\$1,574,076
Employer contributions*	\$956,045
Member contributions	\$524,379
Government co-contributions	\$21,973
Transfers from other fund	\$255,953
Insurance proceeds	\$29,400
<b>Total revenue</b>	<b>\$3,361,826</b>
LESS	
Benefits paid	\$6,985,330
Administration fees	\$1,515
Group insurance premiums	\$15,697
Contributions and surcharge tax	\$112,598
<b>Total expenses</b>	<b>\$7,115,140</b>
<b>EQUALS</b>	
<b>Net assets at 30 June 2021</b>	<b>\$43,902,321</b>

\* Please note that the amounts shown in the table above as employer contributions include any pre-tax or salary sacrifice member contributions.

This information has been prepared on a cash basis.

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

## Change in net assets to 30 June 2021

<b>Investment options</b>	
Indexed Diversified Shares	\$449,647
Enhanced Indexed Growth	\$4,389,622
Enhanced Indexed Conservative Growth	\$1,730,584
Newcastle Cash	\$30,373,430
Mercer Cash	\$783,353
Mercer High Growth	\$3,338,057
Mercer Conservative Growth	\$2,837,628
<b>Total</b>	<b>\$43,902,321</b>

# Mercer Easy - Newcastle Pension Financials

## Statement of financial position at 30 June 2021

<b>Net assets at 1 July 2020</b>	<b>\$23,817,376</b>
PLUS Net investment revenue	<b>\$840,379</b>
Transfers from previous fund	<b>\$230,141</b>
<b>Total revenue</b>	<b>\$ 1,070,520</b>
LESS Benefits paid	<b>\$3,659,599</b>
Administration fees	<b>\$6,400</b>
<b>Total expenses</b>	<b>\$ 3,665,999</b>
EQUALS	
<b>Net assets at 30 June 2021</b>	<b>\$21,221,897</b>

## Change in net assets to 30 June 2021

<b>Investment options</b>	
Indexed Diversified Shares – Pension	<b>\$0</b>
Mercer Cash - Pension	<b>\$ 688,674</b>
Mercer High Growth - Pension	<b>\$ 23,034</b>
Mercer Conservative Growth - Pension	<b>\$ 2,821,902</b>
Enhanced Indexed Growth - Pension	<b>\$ 2,657,356</b>
Enhanced Indexed Conservative Growth - Pension	<b>\$ 1,215,942</b>
Newcastle Cash - Pension	<b>\$ 13,814,989</b>
<b>Total</b>	<b>\$ 21,221,897</b>

This information has been prepared on a cash basis.

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



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

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