



Mercer Super Trust

# Quarterly report

to 30 June 2022

welcome to brighter

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## Economy and markets

Markets sold off broadly over the second quarter of 2022. Asset prices were challenged by central bank tightening, economic growth momentum fading and the earnings outlook becoming more challenged. Inflation in the US came in above expectation this quarter and other regions have continued to experience persistent, elevated inflation. Economic data hinted at a slowdown and led to increased recession fears.

Hedged Developed Market Overseas Shares returned -15.1% for the quarter with poor economic and inflation data in the US driving the losses. Australian shares fell 12.2% with recession fears leading the commodity heavy index lower. Emerging market equities outperformed their global counterparts over the quarter, posting a -3.3% decline. Chinese equities contributed positively to the index over the quarter on the back of a further reopening of the economy and accommodative monetary policy. Conversely, commodity heavy Latin American countries detracted from the EM index over the quarter.

Hedged Overseas Government Bonds returned -4.9% over the quarter as rates continued to rise. The US 10-year yield ended the month at 3.0%. Australian 10-year government bond yields moved in the same direction, with Australian government bonds returning -3.8%. Credit spreads also widened in this risk-off environment, which led to poor performance for credit and growth fixed income assets.

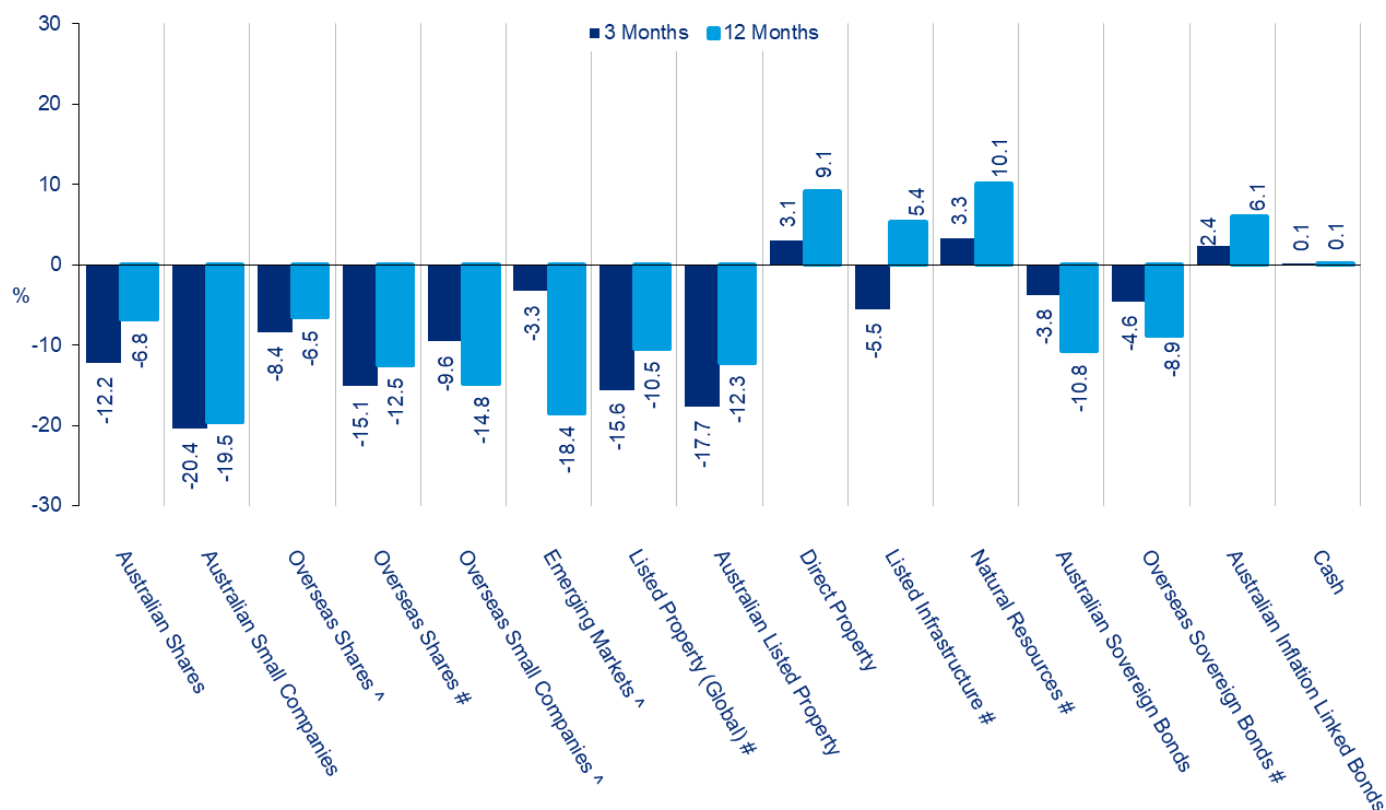
Whilst Australian shares outperformed overseas shares over the quarter, the ASX300 still posted a sharp 12.2% decline. Further declines were felt in small caps, with the ASX Small Ordinaries declining 20.4%. The strongest performing sectors over the quarter were Energy (1.2%) and Utilities (1.7%), whilst the worst performing sectors were IT (-26.3%) and Real Estate (-17.6%). Westpac and ANZ were the largest negative contributors to the ASX300 over the quarter.

**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Financial market returns to 30 June 2022



**NOTE:**

**Past performance is not a reliable indicator of future performance.**

Performance shown only for asset classes that are applicable to sector Mercer Funds benchmarked against a single index.

# Fully hedged return.

^ Unhedged return.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Mercer SmartPath® Ready-made Investment Option

Born 2004-2008

### 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. This objective for the seven years to quarter end was n/a.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-8.5	-6.5	n/a	n/a
Benchmark return*	-7.3	-5.4	n/a	n/a
Excess Returns	-1.2	-1.1	n/a	n/a

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-7.7	-5.7	n/a	n/a

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	35.2
	Australian Shares - Small Cap	3.0	3.1
	International Shares - Large Cap	23.0	21.7
	International Shares - Low Vol	6.0	4.6
	Global Shares - Small Cap	5.0	4.7
	Emerging Markets Shares	8.0	6.5
Real Assets	Global Listed Property	0.0	0.2
	Australian Direct Property	7.0	7.5
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.3
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.6
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.3
	High Yield Debt	0.0	1.3
	Emerging Markets Debt	2.9	2.4
Defensive Fixed Interest & Cash	Absolute Return Bonds	0.0	0.0
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	0.0
	Australian Sovereign Bonds	0.0	0.0
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	2.9
		100.0	100.0
FX Exposure		37.0	36.4

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Mercer SmartPath® Ready-made Investment Option

### Born 1999-2003

#### 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. This objective for the seven years to quarter end was 6.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-8.4	-6.5	7.3	7.2
Benchmark return*	-7.3	-5.4	7.0	6.9
Excess returns	-1.1	-1.1	+0.3	+0.3

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-7.7	-5.5	6.2	6.1

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	34.7
	Australian Shares - Small Cap	3.0	3.1
	International Shares - Large Cap	23.0	21.4
	International Shares - Low Vol	6.0	4.5
	Global Shares - Small Cap	5.0	4.7
	Emerging Markets Shares	8.0	6.4
Real Assets	Global Listed Property	0.0	0.2
	Australian Direct Property	7.0	7.4
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.2
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.6
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.2
	High Yield Debt	0.0	1.3
	Emerging Markets Debt	2.9	2.4
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	0.0
	Australian Sovereign Bonds	0.0	0.0
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	4.2
		100.0	100.0
FX Exposure		37.0	35.9

### Born 1994-1998

#### 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. This objective for the seven years to quarter end was 6.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-8.4	-6.5	7.3	7.2
Benchmark return*	-7.3	-5.4	7.0	6.9
Excess returns	-1.1	-1.1	+0.3	+0.3

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-7.7	-5.6	6.4	6.3

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	34.3
	Australian Shares - Small Cap	3.0	3.1
	International Shares - Large Cap	23.0	21.2
	International Shares - Low Vol	6.0	4.5
	Global Shares - Small Cap	5.0	4.6
	Emerging Markets Shares	8.0	6.3
Real Assets	Global Listed Property	0.0	0.2
	Australian Direct Property	7.0	7.3
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.1
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.6
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.2
	High Yield Debt	0.0	1.3
	Emerging Markets Debt	2.9	2.4
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	0.0
	Australian Sovereign Bonds	0.0	0.0
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	5.2
		100.0	100.0
FX Exposure		37.0	35.5

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Mercer SmartPath® Ready-made Investment Option

### Born 1989-1993

#### 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. This objective for the seven years to quarter end was 6.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-8.4	-6.5	7.4	7.2
Benchmark return*	-7.3	-5.4	7.0	6.9
Excess returns	-1.1	-1.1	+0.4	+0.3

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-7.8	-5.6	6.5	6.3

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	34.4
	Australian Shares - Small Cap	3.0	3.1
	International Shares - Large Cap	23.0	21.3
	International Shares - Low Vol	6.0	4.5
	Global Shares - Small Cap	5.0	4.6
	Emerging Markets Shares	8.0	6.3
Real Assets	Global Listed Property	0.0	0.2
	Australian Direct Property	7.0	7.3
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.1
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.6
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.2
	High Yield Debt	0.0	1.3
	Emerging Markets Debt	2.9	2.4
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	0.0
	Australian Sovereign Bonds	0.0	0.0
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	5.0
		100.0	100.0
FX Exposure		37.0	35.6

### Born 1984-1988

#### 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. This objective for the seven years to quarter end was 6.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-8.2	-6.3	7.5	7.3
Benchmark return*	-7.3	-5.4	7.0	6.9
Excess returns	-0.9	-0.9	+0.5	+0.4

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-7.6	-5.5	6.6	6.4

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	34.2
	Australian Shares - Small Cap	3.0	3.0
	International Shares - Large Cap	23.0	21.5
	International Shares - Low Vol	6.0	4.4
	Global Shares - Small Cap	5.0	4.6
	Emerging Markets Shares	8.0	6.4
Real Assets	Global Listed Property	0.0	0.2
	Australian Direct Property	7.0	7.4
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.2
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.6
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.3
	High Yield Debt	0.0	1.3
	Emerging Markets Debt	2.9	2.4
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	0.0
	Australian Sovereign Bonds	0.0	0.0
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	4.8
		100.0	100.0
FX Exposure		37.0	35.8

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Mercer SmartPath® Ready-made Investment Option

### Born 1979-1983

#### 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. This objective for the seven years to quarter end was 6.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-8.2	-6.2	7.5	7.4
Benchmark return*	-7.3	-5.4	7.0	6.9
Excess returns	-0.9	-0.8	+0.5	+0.5

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-7.6	-5.4	6.6	6.5

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	34.1
	Australian Shares - Small Cap	3.0	3.0
	International Shares - Large Cap	23.0	21.4
	International Shares - Low Vol	6.0	4.4
	Global Shares - Small Cap	5.0	4.6
	Emerging Markets Shares	8.0	6.4
Real Assets	Global Listed Property	0.0	0.2
	Australian Direct Property	7.0	7.5
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.2
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.6
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.3
	High Yield Debt	0.0	1.3
	Emerging Markets Debt	2.9	2.4
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	0.0
	Australian Sovereign Bonds	0.0	0.0
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	4.9
		100.0	100.0
FX Exposure		37.0	35.7

### Born 1974-1978

#### 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. This objective for the seven years to quarter end was 6.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-8.2	-6.2	7.5	7.3
Benchmark return*	-7.3	-5.4	7.0	6.9
Excess returns	-0.9	-0.8	+0.5	+0.4

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-7.6	-5.4	6.6	6.4

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	34.0
	Australian Shares - Small Cap	3.0	3.0
	International Shares - Large Cap	23.0	21.2
	International Shares - Low Vol	6.0	4.4
	Global Shares - Small Cap	5.0	4.6
	Emerging Markets Shares	8.0	6.4
Real Assets	Global Listed Property	0.0	0.2
	Australian Direct Property	7.0	7.4
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.2
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.6
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.3
	High Yield Debt	0.0	1.3
	Emerging Markets Debt	2.9	2.4
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	0.2
	Australian Sovereign Bonds	0.0	0.0
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	5.1
		100.0	100.0
FX Exposure		37.0	35.6

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.



NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Mercer SmartPath® Ready-made Investment Option

Born 1969-1973

### 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. This objective for the seven years to quarter end was 6.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-8.2	-6.1	7.4	7.3
Benchmark return*	-7.3	-5.4	7.0	6.9
Excess returns	-0.9	-0.7	+0.4	+0.4

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-7.6	-5.3	6.5	6.4

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	34.1
	Australian Shares - Small Cap	3.0	3.0
	International Shares - Large Cap	23.0	21.2
	International Shares - Low Vol	6.0	4.4
	Global Shares - Small Cap	5.0	4.6
	Emerging Markets Shares	8.0	6.4
Real Assets	Global Listed Property	0.0	0.2
	Australian Direct Property	7.0	7.5
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.2
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.6
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.3
	High Yield Debt	0.0	1.3
	Emerging Markets Debt	2.9	2.4
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	0.0
	Australian Sovereign Bonds	0.0	0.0
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	5.1
		100.0	100.0
FX Exposure		37.0	35.6

Born 1964-1968

### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.75% per annum over rolling seven year periods. This objective for the seven years to quarter end was 6.0% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-7.5	-5.5	7.0	7.0
Benchmark return*	-6.7	-4.7	6.5	6.5
Excess returns	-0.8	-0.8	+0.5	+0.5

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-7.0	-4.8	6.1	6.0

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	29.2	31.1
	Australian Shares - Small Cap	2.3	2.3
	International Shares - Large Cap	20.7	18.9
	International Shares - Low Vol	6.0	4.4
	Global Shares - Small Cap	4.1	3.8
	Emerging Markets Shares	6.7	5.2
Real Assets	Global Listed Property	0.6	0.6
	Australian Direct Property	7.0	7.8
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	7.9	5.2
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	1.9
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	3.0	1.7
	High Yield Debt	1.4	2.7
	Emerging Markets Debt	3.1	2.5
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.3	0.4
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	0.0
	Australian Sovereign Bonds	1.5	1.3
	Global Sovereign Bonds	1.5	1.3
	Australian Inflation Plus	0.6	0.7
	Cash	1.6	5.5
		100.0	100.0
FX Exposure		35.0	33.7

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.



NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Mercer SmartPath® Ready-made Investment Option

### Born1959-1963

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.25% per annum over rolling seven year periods. This objective for the seven years to quarter end was 5.5% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-6.6	-4.9	6.3	6.3
Benchmark return*	-5.6	-4.0	5.8	5.9
Excess returns	-1.0	-0.9	+0.5	+0.4

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-6.1	-4.3	5.4	5.4

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	23.6	26.0
	Australian Shares - Small Cap	1.4	1.5
	International Shares - Large Cap	17.1	15.3
	International Shares - Low Vol	6.0	4.4
	Global Shares - Small Cap	2.2	2.1
	Emerging Markets Shares	5.2	4.0
Real Assets	Global Listed Property	1.1	1.2
	Australian Direct Property	7.0	7.9
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	7.9	5.3
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.0
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	4.7	2.6
	High Yield Debt	3.5	5.2
	Emerging Markets Debt	4.3	3.5
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	1.8	1.8
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	1.4
	Australian Sovereign Bonds	3.4	2.9
	Global Sovereign Bonds	3.4	2.4
	Australian Inflation Plus	1.1	1.3
	Cash	3.8	6.6
		100.0	100.0
FX Exposure		31.0	30.2

### Born 1954-1958

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.75% per annum over rolling six year periods. This objective for the six years to quarter end was 5.2% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-5.4	-4.3	5.7	5.7
Benchmark return*	-4.6	-3.4	5.0	5.3
Excess returns	-0.8	-0.9	+0.7	+0.4

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-5.0	-3.9	4.9	4.9

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	18.8	21.0
	Australian Shares - Small Cap	0.7	0.8
	International Shares - Large Cap	13.1	10.6
	International Shares - Low Vol	6.0	4.4
	Global Shares - Small Cap	0.7	0.7
	Emerging Markets Shares	3.7	2.9
Real Assets	Global Listed Property	1.7	1.8
	Australian Direct Property	6.9	7.9
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	7.9	5.3
	Natural Resources	1.0	1.8
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.1
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.2	3.5
	High Yield Debt	5.4	7.4
	Emerging Markets Debt	5.4	4.4
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	3.3	3.3
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	1.3
	Australian Sovereign Bonds	5.3	4.3
	Global Sovereign Bonds	5.3	4.4
	Australian Inflation Plus	1.7	2.1
	Cash	5.4	9.1
		100.0	100.0
FX Exposure		27.5	26.9

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Mercer SmartPath® Ready-made Investment Option

### Born 1949-1953

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling five year periods. This objective for the five years to quarter end was 4.8% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-5.3	-4.7	4.9	5.0
Benchmark return*	-4.1	-3.2	4.4	4.7
Excess returns	-1.2	-1.5	+0.5	+0.3

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-4.9	-4.1	4.2	4.3

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	16.5	18.6
	Australian Shares - Small Cap	0.0	0.0
	International Shares - Large Cap	12.0	10.3
	International Shares - Low Vol	6.0	4.4
	Global Shares - Small Cap	0.0	0.0
	Emerging Markets Shares	3.0	2.3
Real Assets	Global Listed Property	2.0	1.7
	Australian Direct Property	7.0	8.2
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.4
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.1
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.8	3.7
	High Yield Debt	6.1	7.9
	Emerging Markets Debt	6.1	5.2
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	4.0
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	1.6
	Australian Sovereign Bonds	6.0	5.2
	Global Sovereign Bonds	6.0	5.2
	Australian Inflation Plus	2.0	2.2
	Cash	6.0	9.3
		100.0	100.0
FX Exposure		26.0	25.8

### Born 1944-1948

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling five year periods. This objective for the five years to quarter end was 4.8% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-5.4	-4.5	4.8	4.9
Benchmark return*	-4.1	-3.2	4.4	4.7
Excess returns	-1.3	-1.3	+0.4	+0.2

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-5.0	-4.1	4.1	4.1

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	16.5	18.4
	Australian Shares - Small Cap	0.0	0.0
	International Shares - Large Cap	12.0	10.2
	International Shares - Low Vol	6.0	4.3
	Global Shares - Small Cap	0.0	0.0
	Emerging Markets Shares	3.0	2.3
Real Assets	Global Listed Property	2.0	1.7
	Australian Direct Property	7.0	8.0
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	8.0	5.2
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.0
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.8	3.8
	High Yield Debt	6.1	7.9
	Emerging Markets Debt	6.1	5.2
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	4.1
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	1.7
	Australian Sovereign Bonds	6.0	5.2
	Global Sovereign Bonds	6.0	5.2
	Australian Inflation Plus	2.0	2.2
	Cash	6.0	10.0
		100.0	100.0
FX Exposure		26.0	25.7

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Mercer SmartPath® Ready-made Investment Option

### Born 1939-1943

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling five year periods. This objective for the five years to quarter end was 4.8% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-5.4	-4.6	4.8	4.8
Benchmark return*	-4.1	-3.2	4.4	4.7
Excess returns	-1.3	-1.4	+0.4	+0.1

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-4.9	-4.1	4.1	4.2

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	16.5	18.5
	Australian Shares - Small Cap	0.0	0.0
	International Shares - Large Cap	12.0	10.1
	International Shares - Low Vol	6.0	4.3
	Global Shares - Small Cap	0.0	0.0
	Emerging Markets Shares	3.0	2.3
Real Assets	Global Listed Property	2.0	1.7
	Australian Direct Property	7.0	8.0
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	8.0	5.3
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.1
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.8	3.8
	High Yield Debt	6.1	7.9
	Emerging Markets Debt	6.1	5.2
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	4.1
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	1.7
	Australian Sovereign Bonds	6.0	5.2
	Global Sovereign Bonds	6.0	5.2
	Australian Inflation Plus	2.0	2.2
	Cash	6.0	9.8
		100.0	100.0
FX Exposure		26.0	25.7

### Born 1934-1938

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling five year periods. This objective for the five years to quarter end was 4.8% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-5.4	-4.6	4.9	4.9
Benchmark return*	-4.1	-3.2	4.4	4.7
Excess returns	-1.3	-1.4	+0.5	+0.2

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-4.9	-4.2	4.2	4.2

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	16.5	18.7
	Australian Shares - Small Cap	0.0	0.0
	International Shares - Large Cap	12.0	10.7
	International Shares - Low Vol	6.0	4.4
	Global Shares - Small Cap	0.0	0.0
	Emerging Markets Shares	3.0	2.3
Real Assets	Global Listed Property	2.0	1.6
	Australian Direct Property	7.0	8.0
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.3
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.0
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.8	3.9
	High Yield Debt	6.1	7.8
	Emerging Markets Debt	6.1	5.1
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	4.0
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	2.0
	Australian Sovereign Bonds	6.0	5.1
	Global Sovereign Bonds	6.0	5.1
	Australian Inflation Plus	2.0	2.2
	Cash	6.0	9.1
		100.0	100.0
FX Exposure		26.0	25.4

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Mercer SmartPath® Ready-made Investment Option

### Born 1929-1933

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling five year periods. This objective for the five years to quarter end was 4.8% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-5.3	-4.6	5.0	4.9
Benchmark return*	-4.1	-3.2	4.4	4.7
Excess returns	-1.2	-1.4	+0.6	+0.2

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-4.9	-4.1	4.3	4.2

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	16.5	18.9
	Australian Shares - Small Cap	0.0	0.0
	International Shares - Large Cap	12.0	10.1
	International Shares - Low Vol	6.0	4.4
	Global Shares - Small Cap	0.0	0.0
	Emerging Markets Shares	3.0	2.3
Real Assets	Global Listed Property	2.0	1.6
	Australian Direct Property	7.0	8.0
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.3
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.1
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.8	3.9
	High Yield Debt	6.1	7.9
	Emerging Markets Debt	6.1	5.4
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	4.1
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	1.6
	Australian Sovereign Bonds	6.0	5.2
	Global Sovereign Bonds	6.0	5.0
	Australian Inflation Plus	2.0	2.2
	Cash	6.0	9.3
		100.0	100.0
FX Exposure		26.0	25.9

### Born prior to 1929

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling five year periods. This objective for the five years to quarter end was 4.8% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-5.3	-4.7	4.8	4.8
Benchmark return*	-4.1	-3.2	4.4	4.7
Excess returns	-1.2	-1.5	+0.4	+0.1

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-4.9	-4.3	4.2	4.1

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	16.5	20.7
	Australian Shares - Small Cap	0.0	0.0
	International Shares - Large Cap	12.0	10.6
	International Shares - Low Vol	6.0	4.6
	Global Shares - Small Cap	0.0	0.0
	Emerging Markets Shares	3.0	2.0
Real Assets	Global Listed Property	2.0	1.5
	Australian Direct Property	7.0	7.6
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	8.0	5.0
	Natural Resources	1.0	1.5
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	1.8
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.8	3.6
	High Yield Debt	6.1	7.0
	Emerging Markets Debt	6.1	5.6
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	3.9
	Global Short Term Bonds	0.0	0.0
	Global Credit	0.0	1.8
	Australian Sovereign Bonds	6.0	4.5
	Global Sovereign Bonds	6.0	5.9
	Australian Inflation Plus	2.0	1.9
	Cash	6.0	9.6
		100.0	100.0
FX Exposure		26.0	26.2

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Other Ready-made Investment Options

### Mercer Diversified Shares

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.5% per annum over rolling ten year periods. This objective for the ten years to quarter end was 5.8% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	10 yrs <sup>^</sup> (p.a.)
Total returns	-9.9	-8.0	8.0	11.2
Benchmark return*	-10.4	-8.3	7.9	11.0
Excess returns	+0.5	+0.3	+0.1	+0.2

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	10 yrs <sup>^</sup> (p.a.)
Total returns	-9.1	-6.9	7.2	9.8
Peer group median <sup>2</sup>	-8.9	-7.2	6.0	10.0
Excess returns vs peer group	-0.2	+0.3	+1.2	-0.2

<sup>^</sup> Time horizon for this investment option's objective (refer above)

<sup>2</sup> Super Ratings High Growth (91-100)

Asset allocation (%)	B'mark	Actual at quarter end		
		Growth	Defensive	Total
Australian Shares - Large Cap	40.0	40.1	0.0	40.1
Australian Shares - Small Cap	5.0	4.9	0.0	4.9
International Shares - Large Cap	31.0	31.2	0.0	31.2
International Shares - Low Vol	10.0	11.0	0.0	11.0
Global Shares - Small Cap	7.0	6.5	0.0	6.5
Emerging Markets (UH)	7.0	6.2	0.0	6.2
Cash	0.0	0.0	0.1	0.1
	100.0	99.9	0.1	100.0

FX Exposure 42.0 41.8

Performance attribution this quarter (%)	
Asset allocation	-0.2
Stock/manager selection	0.6
<b>Excess return for this quarter – before fees &amp; taxes</b>	<b>+0.4</b>

### Mercer High Growth

#### 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. This objective for the seven years to quarter end was 5.8% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs <sup>^</sup> (p.a.)
Total returns	-8.3	-5.9	7.7	7.6
Benchmark return*	-7.4	-5.2	7.0	7.1
Excess returns	-0.9	-0.7	+0.7	+0.5

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs <sup>^</sup> (p.a.)
Total returns	-7.7	-5.1	6.7	6.6
Peer group median <sup>2</sup>	-8.2	-6.3	6.1	6.2
Excess returns vs peer group	+0.5	+1.2	+0.6	+0.4

<sup>^</sup> Time horizon for this investment option's objective (refer above)

<sup>2</sup> Super Ratings Growth (77-90)

Asset allocation (%)	B'mark	Actual at quarter end		
		Growth	Defensive	Total
Australian Shares - Large Cap	31.0	33.0	0.0	33.0
Australian Shares - Small Cap	3.0	3.0	0.0	3.0
International Shares - Large Cap	23.0	21.2	0.0	21.2
International Shares - Low Vol	6.0	4.4	0.0	4.4
Global Shares - Small Cap	6.0	5.6	0.0	5.6
Emerging Markets Shares	6.0	4.3	0.0	4.3
Global Listed Property	0.0	0.1	0.0	0.1
Australian Direct Property	7.0	3.7	3.8	7.5
Global Listed Infrastructure	0.0	0.9	0.0	0.9
Global Unlisted Infrastructure	8.0	3.7	1.6	5.3
Natural Resources	1.0	1.8	0.0	1.8
Private Equity	0.0	0.0	0.0	0.0
Sustainable Opportunities	0.0	0.0	0.0	0.0
Diversified Growth Funds	1.0	0.7	0.6	1.3
Diversified Alternatives	0.0	0.0	0.0	0.0
Private Debt	3.0	1.0	0.9	1.9
High Yield Debt	0.0	0.7	0.7	1.4
Emerging Markets Debt	3.0	1.2	1.2	2.4
Global Absolute Return Bonds	0.0	0.0	0.0	0.0
Global Short Term Bonds	0.0	0.0	0.0	0.0
Global Credit	0.0	0.0	0.0	0.0
Australian Sovereign Bonds	0.0	0.0	0.0	0.0
Global Sovereign Bonds	0.0	0.0	0.0	0.0
Australian Inflation Plus	0.0	0.0	0.0	0.0
Cash	2.0	0.0	5.9	5.9
	100.0	85.3	14.7	100.0
FX Exposure	34.0			32.6

Performance attribution this quarter (%)	
Asset allocation	-1.3
Stock/manager selection	0.4
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-0.9</b>

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Other Ready-made Investment Options

### Mercer Select Growth

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by a least 3.25% per annum over rolling six year periods. This objective for the six years to quarter end was 5.7% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	3 yrs (p.a.)	6 yrs <sup>^</sup> (p.a.)
Total returns	-5.8	-3.5	5.8	8.4
Benchmark return*	-5.4	-3.7	4.8	7.3
Excess returns	-0.4	+0.2	+1.0	+1.1

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	3 yrs (p.a.)	6 yrs <sup>^</sup> (p.a.)
Total returns	-5.4	-3.2	4.4	6.7
Peer group median <sup>2</sup>	-6.9	-5.6	3.1	n/a
Excess returns vs peer group	+1.5	+2.4	+1.3	n/a

<sup>^</sup> Time horizon for this investment option's objective (refer above)

<sup>2</sup> Super Ratings Balanced (60-76)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	21.5	23.8	0.0	23.8
	Australian Shares - Small Cap	2.0	3.1	0.0	3.1
	International Shares - Lge Cap	14.5	12.6	0.0	12.6
	International Shares - Low Vol	5.0	3.3	0.0	3.3
	Global Shares - Small Cap	4.0	4.9	0.0	4.9
	Emerging Markets Shares	4.0	2.8	0.0	2.8
Real Assets	Global Listed Property	0.0	0.3	0.0	0.3
	Australian Direct Property	10.0	5.4	5.3	10.7
	Global Listed Infrastructure	0.0	1.3	0.0	1.3
	Global Unlisted Infrastructure	10.0	4.7	2.1	6.8
	Natural Resources	1.0	1.7	0.0	1.7
Alternatives	Private Equity	4.0	2.4	0.0	2.4
	Sustainable Opportunities	1.0	0.4	0.1	0.5
	Diversified Growth Funds	1.0	0.7	0.6	1.3
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	5.0	1.4	1.5	2.9
	High Yield Debt	2.0	1.9	1.9	3.8
	Emerging Markets Debt	4.0	1.7	1.6	3.3
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0	0.3	0.3
	Global Short Term Bonds	0.0	0.0	0.0	0.0
	Global Credit	0.0	0.0	1.1	1.1
	Australian Sovereign Bonds	4.0	0.0	3.5	3.5
	Global Sovereign Bonds	4.0	0.0	3.1	3.1
	Australian Inflation Plus	0.0	0.0	0.1	0.1
	Cash	3.0	0.0	6.4	6.4
		100.0	72.4	27.6	100.0
FX Exposure		32.0			30.3

#### Performance attribution this quarter (%)

Asset allocation	-0.8
Stock/manager selection	0.5
<b>Excess return for quarter - before fees &amp; taxes</b>	<b>-0.3</b>

### Mercer Moderate Growth

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.0% per annum over rolling four year periods. This objective for the four years to quarter end was 4.7% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	4 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-5.1	-4.3	4.5	7.1
Benchmark return*	-4.0	-3.3	4.2	6.5
Excess returns	-1.1	-1.0	+0.3	+0.6

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	4 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-4.7	-3.7	3.8	6.0
Peer group median <sup>2</sup>	-5.6	-5.5	n/a	6.0
Excess returns vs peer group	+0.9	+1.8	n/a	+0.0

<sup>^</sup> Time horizon for this investment option's objective (refer above)

<sup>2</sup> Super Ratings Conservative Balanced (41-59)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	18.5	20.5	0.0	20.5
	Australian Shares - Small Cap	0.0	0.0	0.0	0.0
	International Shares - Lge Cap	12.0	10.0	0.0	10.0
	International Shares - Low Vol	6.0	4.4	0.0	4.4
	Global Shares - Small Cap	0.0	0.0	0.0	0.0
	Emerging Markets Shares	4.0	2.9	0.0	2.9
Real Assets	Global Listed Property	0.0	0.1	0.0	0.1
	Australian Direct Property	5.5	3.0	2.9	5.9
	Global Listed Infrastructure	0.0	0.7	0.0	0.7
	Global Unlisted Infrastructure	5.5	2.6	1.1	3.7
	Natural Resources	1.0	1.7	0.0	1.7
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	0.0	0.0	0.0	0.0
	Diversified Growth Funds	1.0	0.7	0.6	1.3
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	5.4	1.5	1.6	3.1
	High Yield Debt	2.0	1.8	1.8	3.6
	Emerging Markets Debt	4.1	1.7	1.7	3.4
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	3.0	0.0	2.9	2.9
	Global Short Term Bonds	0.0	0.0	0.0	0.0
	Global Credit	2.5	0.0	4.7	4.7
	Australian Sovereign Bonds	7.0	0.0	6.4	6.4
	Global Sovereign Bonds	6.0	0.0	5.1	5.1
	Australian Inflation Plus	5.0	0.0	5.6	5.6
	Cash	11.5	0.0	14.0	14.0
		100.0	51.6	48.4	100.0
FX Exposure		23.5			23.0

#### Performance attribution this quarter (%)

Asset allocation	-1.1
Stock/manager selection	0.1
<b>Excess return for quarter - before fees &amp; taxes</b>	<b>-1.0</b>

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.



NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Other Ready-made Investment Options

### Mercer Conservative Growth

#### 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. This objective for the three years to quarter end was 4.1% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	3 yrs <sup>^</sup> (p.a.)	7 yrs (p.a.)
Total returns	-4.0	-3.4	2.5	5.5
Benchmark return*	-3.0	-2.6	2.1	4.9
Excess returns	-1.0	-0.8	+0.4	+0.6

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	3 yrs <sup>^</sup> (p.a.)	7 yrs (p.a.)
Total returns	-3.7	-3.1	2.0	4.6
Peer group median <sup>2</sup>	-4.4	-5.4	1.0	4.2
Excess returns vs peer group	+0.7	+2.3	+1.0	+0.4

<sup>^</sup> Time horizon for this investment option's objective (refer above)

<sup>2</sup> Super Ratings Capital Stable (20-40)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	10.0	12.3	0.0	12.3
	Australian Shares - Small Cap	0.0	0.0	0.0	0.0
	International Shares - Lge Cap	6.1	3.7	0.0	3.7
	International Shares - Low Vol	5.9	4.3	0.0	4.3
	Global Shares - Small Cap	0.0	0.0	0.0	0.0
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	2.0	1.8	0.0	1.8
	Australian Direct Property	4.0	2.3	2.4	4.7
	Global Listed Infrastructure	0.0	0.6	0.0	0.6
	Global Unlisted Infrastructure	5.0	2.3	1.0	3.3
	Natural Resources	1.0	1.7	0.0	1.7
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	0.0	0.0	0.0	0.0
	Diversified Growth Funds	1.0	0.7	0.6	1.3
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	4.5	1.3	1.3	2.6
	High Yield Debt	2.0	1.6	1.6	3.2
	Emerging Markets Debt	2.0	0.8	0.9	1.7
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	0.0	4.0	4.0
	Global Short Term Bonds	0.0	0.0	0.0	0.0
	Global Credit	3.0	0.0	5.6	5.6
	Australian Sovereign Bonds	11.0	0.0	9.6	9.6
	Global Sovereign Bonds	10.0	0.0	9.0	9.0
	Australian Inflation Plus	7.0	0.0	8.2	8.2
	Cash	21.5	0.0	22.4	22.4
FX Exposure		100.0	33.4	66.6	100.0
FX Exposure		12.0			12.1

#### Performance attribution this quarter (%)

Asset allocation	-0.9
Stock/manager selection	0.0
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-0.9</b>

### Mercer Cash

#### Objectives

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

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	0.1	0.2	1.2	2.0
Benchmark return*	0.1	0.1	0.9	1.7
Excess returns	0.0	+0.1	+0.3	+0.3

\* Bloomberg Bank Bill Index

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	0.1	0.1	1.0	1.6
Peer group median <sup>2</sup>	0.1	0.1	0.8	1.5
Excess returns vs peer group	+0.0	-0.0	+0.2	+0.1

<sup>1</sup> Super Ratings SR50 Cash Index

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Cash		100.0	0.0	100.0	100.0
FX Exposure		0.0			0.0

#### Performance attribution this quarter (%)

Asset allocation	0.0
Stock/manager selection	0.1
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>+0.1</b>

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.



**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

# Learn more about the underlying investments

Uncover more detail on each asset class allocation of the ready-made investment options. The following example shows you how.

Suppose that you want more information about the allocation to Australian shares of one of the Mercer ready-made investment options. In this case, you can refer to the Australian shares section (see sample below) where you will find details on:

- The performance of the Australian share market during the quarter and factors influencing it.
- The investment option's benchmark allocation to the various Australian share market sectors (e.g. Financials, Energy, Utilities).

- The variance from the sector benchmarks, whether 'overweight' (with a greater-than- benchmark exposure) or 'underweight' (with sub-benchmark exposure).
- Benchmark returns for the quarter. Ideally, we want to be overweight in sectors with positive returns and underweight in those with negative returns.
- The biggest holdings of individual company stocks.
- Performance of the underlying investments in Australian shares. In other words, the performance of that part of the ready-made investment options that is allocated to Australian shares.

- The underlying investment managers, including details of the proportion of assets they managed and their investment performance over various periods to quarter end. Please note that the details on the proportion of assets managed are only applicable to the allocations of the funds noted in the tables investment options. However, all other details are equally applicable to all the ready-made investment options.

Similarly, you can dig deeper with each of the other asset classes using the information provided in the following section of your quarterly report.

Mercer Super Trust Quarterly Report

**NOTE: Past performance is not a reliable indicator of future performance.**  
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.  
Refer to page 43 for Asset Class Benchmarks.

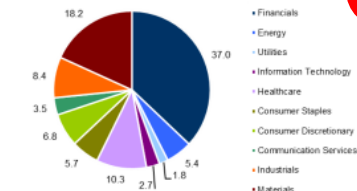
## Shares

### Australian Shares

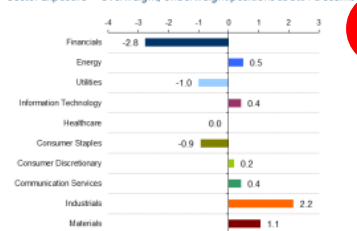
Australian shares were positive over Q4 2019 as the S&P/ASX 300 Accumulation Index returned 0.7% for the quarter. The market cap spectrum, with the largest positive movements being the S&P/ASX 50, returning 2.3% for the quarter while the worst performer was the S&P/ASX 500, returning 0.4%. The best performing sectors were Healthcare and Energy, while the weakest performing sectors Financials and Consumer Staples. The largest positive contributors to the return of the index were CSL, BHP and Fortescue. On the other hand, the most significant detractors from performance were Westpac, NAB and ANZ.

#### Ready-made options' allocations to Australian Shares

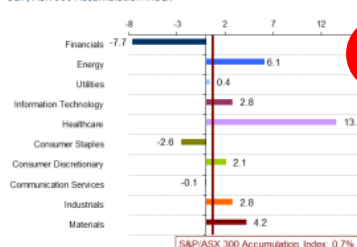
Benchmark weight by sector (%)  
S&P/ASX 300 Accumulation Index



#### Sector Exposure—Overweight/Underweight positions as at 31 December 2019 (%)



Benchmark sector returns for the three months to 31 December 2019 (%)  
S&P/ASX 300 Accumulation Index



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Quarter ended December 2019

**NOTE: Past performance is not a reliable indicator of future performance.**  
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.  
Refer to page 43 for Asset Class Benchmarks.

## Shares

### Australian Shares

#### Ready-made options' allocations to Australian Large Cap - Active Shares

##### Top 10 Australian share holdings

Listed (right) are the 10 largest Australian share holdings in aggregate within the Mercer ready-made investment options' allocations to Australian shares quarter end compared to the benchmark.

Stock	% of Fund	% of Benchmark
Commonwealth Bank	6.7	7.7
CSL	6.6	6.8
BHP Group Ltd	6.5	6.2
Westpac Banking Corporation	4.2	4.5
National Australia Bank	4.0	3.9
ANZ Banking Group	3.6	3.9
Macquarie Group Ltd	2.6	2.4
Aristocrat Leisure Ltd	2.4	1.2
Rio Tinto	2.4	2.0
Woolworths Group Ltd	2.4	2.6

##### Investment performance

Total & Excess Returns (%)	3 Months	1 Year	3 Years (p.a.)	7 Years (p.a.)	10 Years (p.a.)
Total Returns—Before fees & taxes:	1.0	24.3	10.8	10.6	7.8
Benchmark Return:	0.7	23.8	9.3	10.0	7.8
Excess Return—Before fees & taxes:	+0.3	+0.5	+1.5	+0.6	+0.0

1 Returns shown are for the Australian Shares allocation of the Mercer Growth investment option and the Mercer Growth investment options.

##### Manager performance

Over the quarter, the portfolio outperformed its benchmark (S&P/ASX 300) by 0.3%, driven by strong performance from Firetrail, Greencape, Wavestone and Fidelity. Underweight positions to Financials was a key contributor to outperformance for these managers as this sector struggled. Greencape's overweight position in Materials also contributed to its strong quarter as raw materials prices, particularly iron ore, rose over the quarter. Firetrail was the strongest performer over the quarter, outperforming the S&P/ASX 300 index by 3.96%, with stock selection in Nufarm, Virgin Money and Worleyp being the key drivers to performance.

Proportion of assets managed at quarter end (Mercer Growth)		Manager Returns Relative to Fund Benchmark (+ or -) - Before fees					
Manager	%	Managers	3 Months	1 Year	3 Years (p.a.)	7 Years (p.a.)	10 Years (p.a.)
Ausbill Investment Management	5.5	Ausbill Investment Management	+0.1	+2.6	+0.9	+1.4	+0.6
Fidelity	2.3	Fidelity	+1.5	+6.3	+8.9	n/a	n/a
Yarra Capital Management	4.2	Yarra Capital Management	+0.3	+0.3	-0.8	n/a	n/a
Greencape	6.7	Greencape	+2.1	+3.5	+1.7	n/a	n/a
Plato	14.4	Plato	+0.1	-0.1	0.0	n/a	n/a
State Street Global Advisors	40.0	State Street Global Advisors	+0.1	+0.1	+0.1	n/a	n/a
Vinva Alpha	5.6	Vinva Alpha	+3.4	-1.3	n/a	n/a	n/a
Wavestone	5.4	Wavestone	+2.5	+3.8	n/a	n/a	n/a
Firetrail	3.1	Firetrail	+2.8	n/a	n/a	n/a	n/a

2 Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer Growth investment option and are indicative only for other ready-made options.

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NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

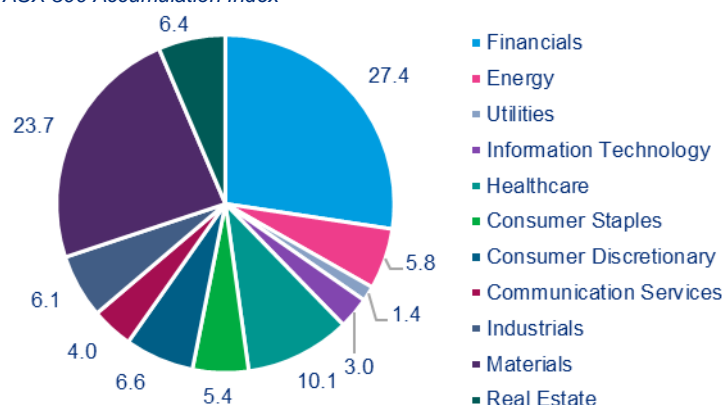
## Shares

### Australian shares

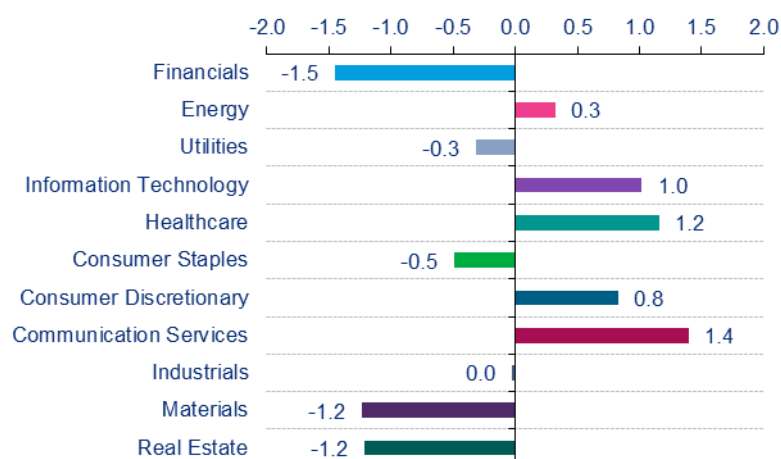
Australian shares were negative over Q2 2022 as the S&P/ASX 300 Index returned -12.2% for the period. The S&P/ASX 50 Accumulation Index was the strongest performer for the quarter returning -10.6%, while the S&P/ASX Small Ordinaries was the weakest performer, returning -20.4%. The best performing sectors were Energy and Utilities, while the weakest performing sectors were IT and Real Estate. The largest positive contributors to the return of the index were CSL, BHP and Transurban. On the other hand, the most significant detractors from performance were Westpac, ANZ and Macquarie.

#### Ready-made options' allocations to Australian Shares

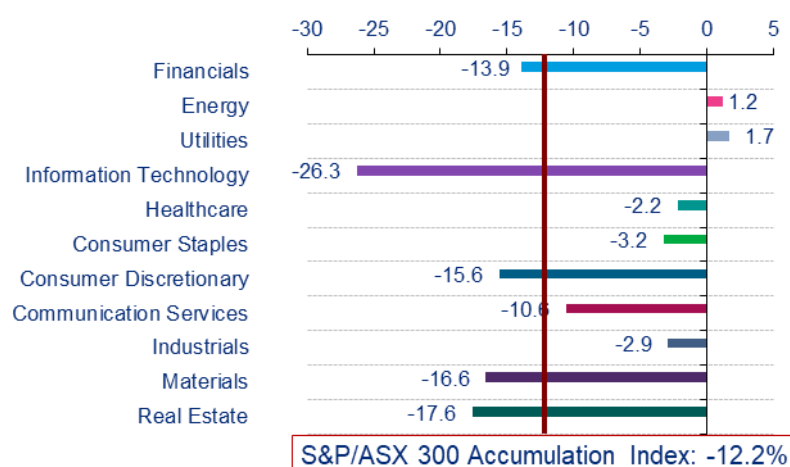
Benchmark weight by sector (%)  
S&P/ASX 300 Accumulation Index



#### Sector exposure — overweight/underweight positions as at 30 June 2022 (%)



Benchmark sector returns for the three months to 30 June 2022(%)  
S&P/ASX 300 Accumulation Index



NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Shares

# Australian shares

### Ready-made options' allocations to Australian Large Cap – Active Shares

#### Top 10 Australian share holdings

Listed (right) are the 10 largest Australian share holdings in aggregate within the Mercer ready-made investment options' allocations to Australian shares quarter end compared to the benchmark.

Stock	% Allocation	% of Benchmark
BHP Group Ltd	9.6	10.4
CSL	7.2	6.5
Commonwealth Bank	5.8	7.7
National Australia Bank	4.3	4.4
ANZ Banking Group	3.5	3.1
Telstra Corporation	2.9	2.2
Macquarie Group Ltd	2.8	3.0
Aristocrat Leisure Ltd	2.5	1.1
Santos Ltd	2.4	1.1
Woolworths Group Ltd	2.3	2.2

#### Investment performance

Total & excess returns <sup>1</sup> (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-12.3	-6.7	3.9	7.1	7.4	n/a
Benchmark return	-12.2	-6.8	3.4	6.9	7.0	n/a
Excess return — before fees & taxes	-0.1	+0.1	+0.4	+0.2	+0.4	n/a

<sup>1</sup> Returns shown are for the Australian Shares allocation of the Mercer SmartPath investment option and will vary for other investment options

#### Manager performance

The fund marginally underperformed the benchmark by 0.1% over the quarter. Stock selection detracted from performance, while asset allocation had a positive contribution. An underweight to Transurban alongside overweight positions in OZ Minerals and SEEK were key drivers of underperformance, yet were slightly offset by value added by overweight positions in QBE and Santos. From an asset allocation perspective, overweight exposure to energy and an underweight to real estate contributed to performance, while an overweight to information technology and an underweight to utilities detracted.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - Before fees					
Manager	% <sup>2</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
State Street Global Advisors	54.0	0.0	+0.1	+0.2	+0.2	+0.1	n/a
Greencape	7.6	-0.2	-0.9	+2.6	+1.8	+2.1	n/a
WaveStone Capital	7.1	+1.0	+2.9	+1.9	+2.6	+2.9	n/a
Vinva Investment Management	6.0	+0.2	+0.5	-1.1	-1.2	n/a	n/a
Plato Investment Management	6.0	+0.4	+0.3	+0.7	+0.8	+0.3	n/a
Ausbil Investment Management	5.7	+0.4	+4.9	+5.4	+3.7	+3.4	+4.6
Firetrail	4.2	-0.3	+1.2	+2.0	n/a	n/a	n/a
Fidelity	3.2	-2.2	-5.0	-2.9	+3.1	+2.7	n/a
Acadian Asset Management	2.1	-0.2	+1.2	+1.5	+1.8	n/a	n/a
Alphinity Investment Management	1.7	-0.5	-0.3	n/a	n/a	n/a	n/a
Pendal Group Limited	1.7	-0.2	-0.3	+2.3	+1.5	+1.4	+2.9
Perennial Better Future Fund	0.6	+4.1	n/a	n/a	n/a	n/a	n/a

<sup>2</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other ready-made options.

NOTE: Past performance is not a reliable indicator of future performance.

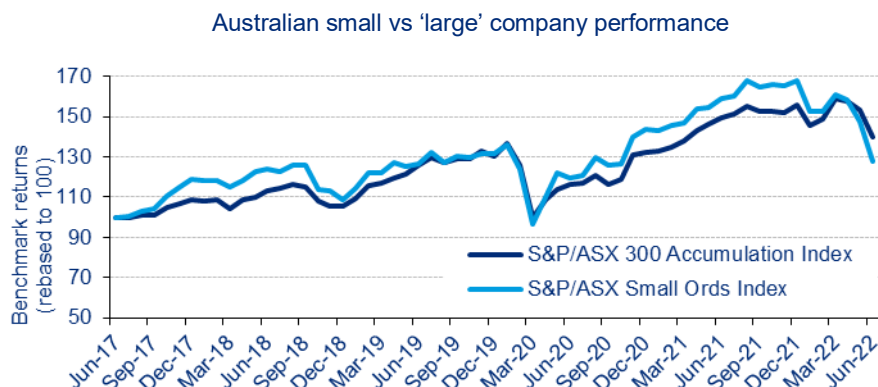
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Shares

### Australian shares – small companies

Australian Small Companies performance was negative over the June quarter with the asset class returning -20.4% for the period. Australian Small Companies underperformed the broad capitalisation index over the quarter.



#### Ready-made options' allocations to Australian Small Companies

##### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-18.0	-15.4	7.1	9.6	9.5	n/a
Benchmark return	-20.4	-19.5	0.4	5.1	6.6	n/a
Excess return — before fees & taxes	+2.4	+4.1	+6.7	+4.6	+2.8	n/a

##### Manager performance

The Australian small caps struggled during the quarter with the small ords delivering a return of -20.4%. In addition to general market concerns over inflation and interest rates, unjustified valuations in the small cap space including speculative 'new energy' resource names are now facing an abrupt re-pricing of reality. There are also many small caps who are facing the normal travails of brutal competition, uncertainty in operating conditions and profit outcomes much worse than investors had expected. The Mercer Australian small cap fund outperformed its benchmark by 2.4% over the quarter. During this period, both sector allocation and stock selection had a positive impact on excess fund returns. The fund's overall underweight to resources helped reduce the difficulties faced by this sector and was a key positive for the fund. The underweight to real estate and overweight to consumer discretionary were key detractors.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - Before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
First Sentier Investors	39.1	+3.5	+6.9	+9.6	+8.5	n/a	n/a
Longwave Capital Partners	26.3	+4.9	+7.2	n/a	n/a	n/a	n/a
Perennial Value Management	24.4	-0.5	+0.1	+4.4	+4.5	+4.5	+5.3
Firetrail	10.2	-1.3	n/a	n/a	n/a	n/a	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other ready-made options.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Shares

### International shares

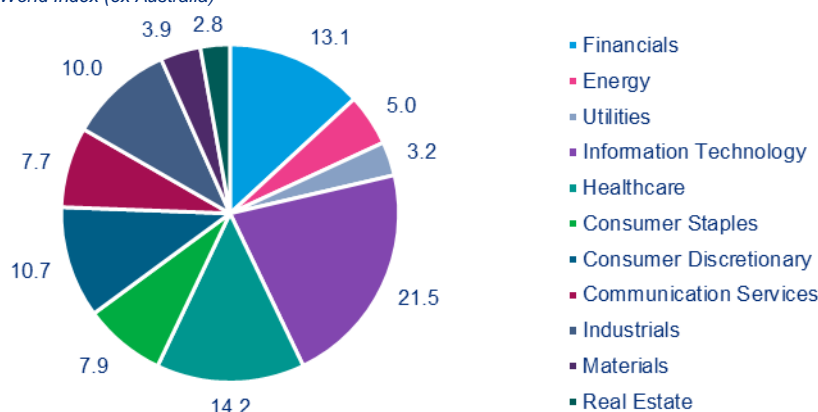
The broad MSCI World ex Australia Accumulation Index decreased -8.4% in unhedged terms and decreased -15.1% in hedged terms over the quarter, as the AUD weakened against most major currencies over the period. The strongest performing sectors were Energy (3.6%) and Consumer Staples (2.3%), while Consumer Discretionary (-16.8%) and IT (-14.6%) were the worst performers. Other global shares were negative as the MSCI Small Caps Total Return Index returned -9.4% and the MSCI Emerging Markets Accumulation Index returned -3.3% over the quarter, all in AUD terms.

Over the June quarter, the NASDAQ (-22.4%), the S&P 500 Composite Index (-16.1%) and the Dow Jones Industrial Average decreased (-10.8%), all in USD terms. European markets experienced negative returns, as the FTSE 100 (United Kingdom) (-3.7%), the CAC 40 (France) (-8.9%) and the DAX 30 (Germany) (-11.3%) decreased, all in local currency terms. Equity returns were mixed across Asia as the SSE Composite (China) (4.5%) and Hang Seng (Hong Kong) (0.9%) increased while the S&P BSE 500 (India) (-10.0%) and the TOPIX (Japan) (-3.7%) decreased, all in local currency terms.

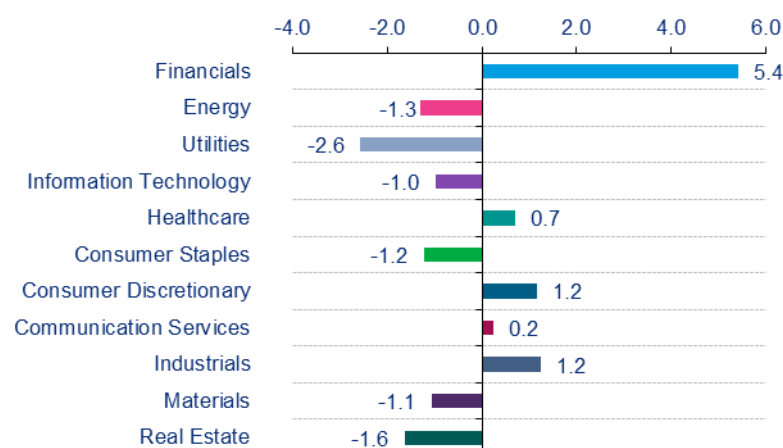
#### Ready-made options' allocations to International Shares

##### Benchmark weights by sector (%)

MSCI World Index (ex Australia)

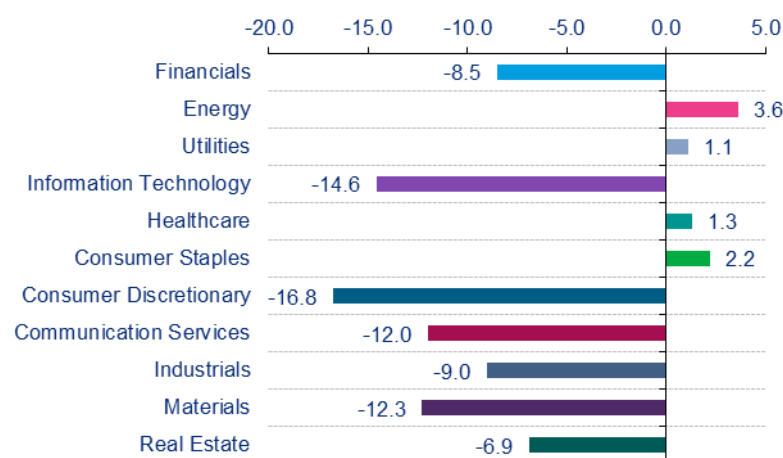


##### Sector exposure - overweight/underweight positions as at 30 June 2022 (%)



##### Benchmark sector returns for the three months to 30 June 2022 (%)

MSCI World Index (ex Australia)



NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

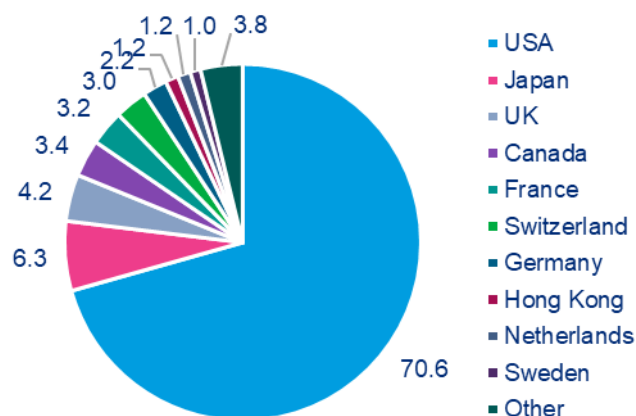
## Shares

### International shares

#### Ready-made options' allocations to International Shares

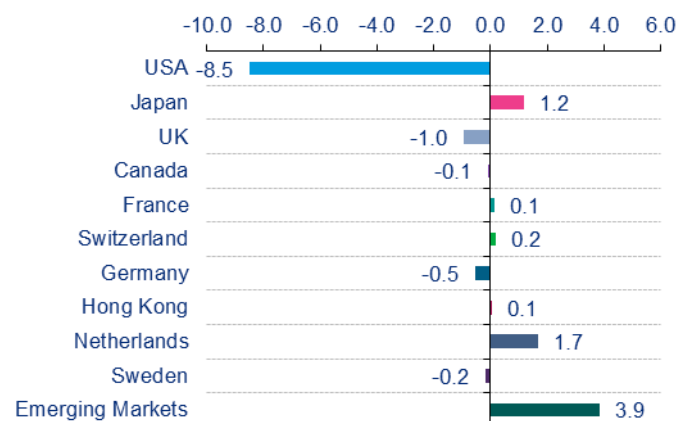
##### Benchmark weights – top 10 countries (%)

MSCI World Index (ex Australia) - in A\$ with net dividends reinvested



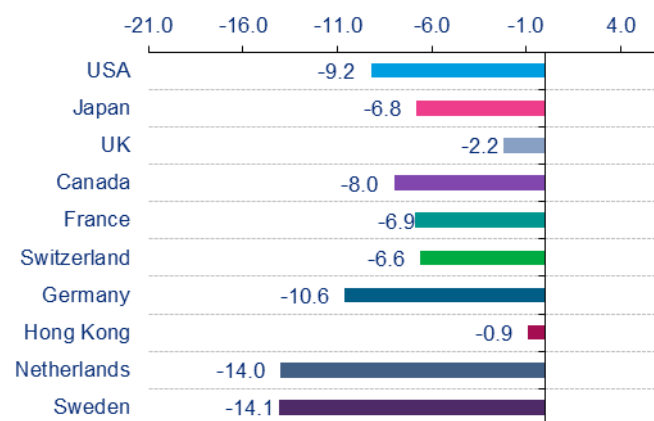
##### Exposure to top 10 countries

Over/Under weight positions as at 30 June 2022 (%)



##### Top 10 countries' benchmark returns, three months to 30 June 2022 (%)

MSCI World Index (ex Australia) - in A\$ with net dividends reinvested



#### Top 10 International share holdings

Listed (right) are the 10 largest International share holdings in aggregate within the active component of Mercer ready-made investment options' allocations to International shares quarter end compared to the benchmark.

Stock	% Allocation	% of Benchmark
Microsoft Corp	3.3	3.8
Alphabet Inc	2.4	2.7
Apple	2.0	4.6
Meta Platforms Inc	1.5	0.8
Intact Financial Corp	1.3	0.1
Amazon	1.1	2.0
Charles Schwab Corp	1.1	0.2
Procter & Gamble Co	1.0	0.7
AIA Group Ltd	1.0	0.3
Roche	0.9	0.5



**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Shares

# International shares

### Ready-made options' allocations to International Shares

#### Investment performance

International Shares Unhedged - Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-7.3	-6.6	7.6	9.4	9.1	13.9
Benchmark return	-8.5	-6.6	7.8	10.1	9.3	14.1
Excess return — before fees & taxes	+1.1	-0.1	-0.2	-0.7	-0.1	-0.1

#### Manager performance

The fund outperformed the benchmark over the quarter by 1.1%. Stock selection drove returns over the quarter, with asset allocation slightly detracting. Underweight positions in Amazon and Apple along with overweight holdings of AIA Group and Lilly Eli & Co drove returns from stock selection. An underweight allocation to both energy and utilities detracted from performance.

Proportion of assets managed at quarter end (Mercer High Growth)		Manager returns relative to benchmark (+ or - %) - Before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
LGIM	46.0	+0.1	+0.3	+0.4	n/a	n/a	n/a
Schroder Investment Management	17.7	+2.9	+3.4	+0.4	-0.3	0.0	-0.1
Mercer Dublin	7.6	-0.1	-5.0	-0.9	-1.5	n/a	n/a
LGIM	7.5	+0.1	n/a	n/a	n/a	n/a	n/a
Arrowstreet	7.0	+8.9	+8.9	+5.2	+6.0	+5.4	n/a
Wellington	5.5	+6.4	+5.7	-1.9	n/a	n/a	n/a
Maj Invest	4.0	-1.6	-4.7	n/a	n/a	n/a	n/a
AllianceBernstein	2.8	-1.0	-9.9	n/a	n/a	n/a	n/a
Baillie Gifford	1.7	-14.3	-37.9	n/a	n/a	n/a	n/a

### Ready-made options' allocations to International Shares - Low Volatility

#### Investment performance

Low Volatility - Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-1.7	4.4	4.0	7.1	7.8	n/a
Benchmark return	-1.4	2.2	3.6	9.0	8.4	n/a
Excess return — before fees & taxes	-0.3	+2.3	+0.4	-1.9	-0.6	n/a

#### Manager performance

The Fund underperformed the benchmark over the quarter by 0.3%. Primary sources of positive active return included a combination of stock selection and an overweight position in Consumer Staples, stock selection in Communication Services, and a combination of stock selection and an underweight position in Consumer Discretionary. Detractors from relative performance included a combination of stock selection and an underweight position in Energy. At the stock level, an overweight position to Alphabet detracted from relative performance over the quarter.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - Before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Acadian	100.0	-0.3	+2.2	+0.4	-0.9	n/a	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other ready-made options



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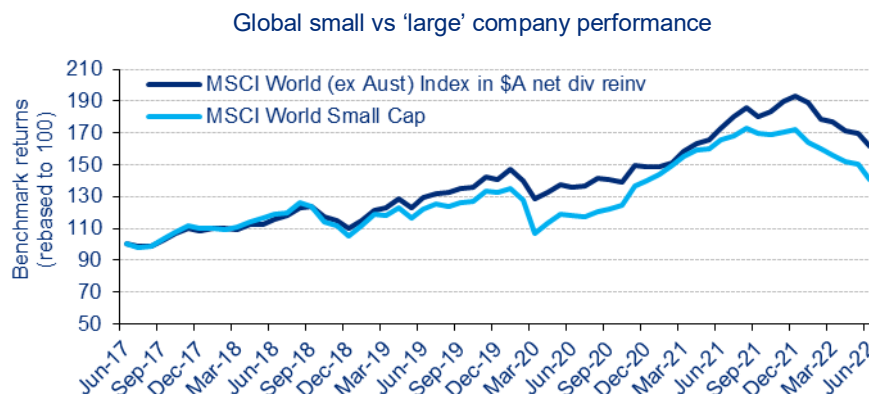
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Shares

# Global shares – small companies

In unhedged AUD terms, the Global Small Cap sector returned -9.4%, outperforming Global Large Cap stocks.



## Ready-made options' allocations to Global Small Companies

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-7.6	-16.0	5.9	8.0	7.5	n/a
Benchmark return	-9.6	-14.8	4.9	7.1	7.3	n/a
Excess return — before fees & taxes	+1.9	-1.2	+1.0	+0.9	+0.2	n/a

### Manager performance

The fund outperformed versus its benchmark over the quarter by 1.9%. Stock selection was the key driver, with Astralabs, West Fraser Timber and Haseko the key contributors. Meanwhile, Ocado, Sleep Number and Tesla were the key detractors over the quarter.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - Before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Arrowstreet	38.8	+9.4	+13.3	+10.6	+9.3	+7.8	+12.2
Lazard Asset Management	25.1	-0.6	-2.3	-1.8	n/a	n/a	n/a
Kempen Capital Management	24.9	+0.9	n/a	n/a	n/a	n/a	n/a
Baillie Gifford	11.2	-11.9	-33.7	-7.8	n/a	n/a	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other ready-made options

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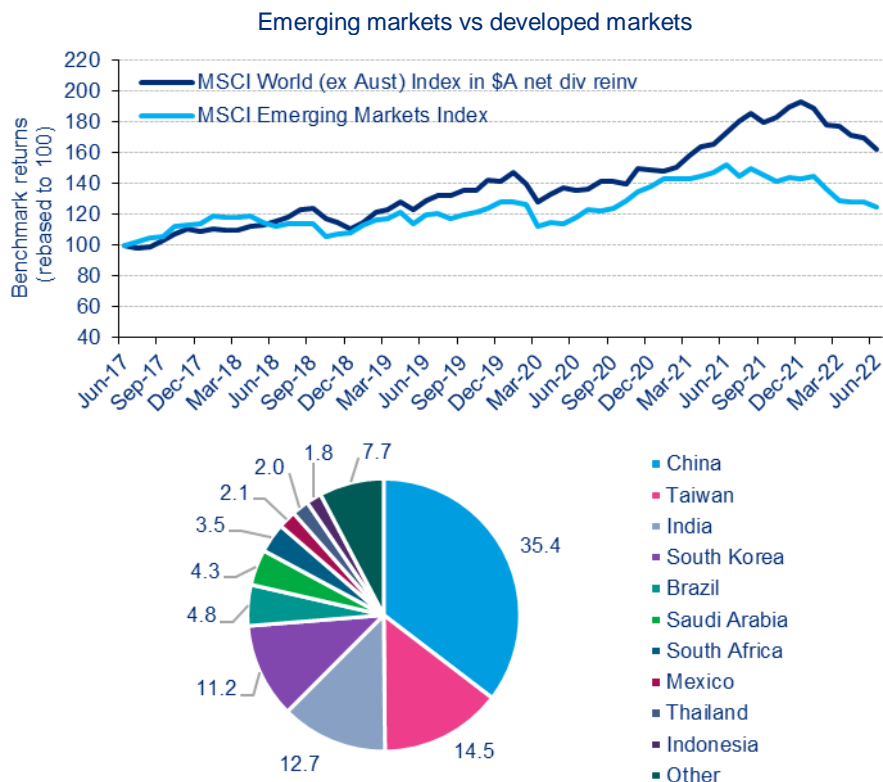
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Shares

### Emerging markets shares

In unhedged AUD terms, Emerging Markets (NR) returned -3.3%, outperforming developed markets.



#### Ready-made options' allocations to Emerging Markets Shares

##### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-3.8	-19.4	1.1	4.5	4.6	n/a
Benchmark return	-3.3	-18.5	1.3	4.4	4.4	n/a
Excess return — before fees & taxes	-0.5	-1.0	-0.1	+0.0	+0.2	n/a

##### Manager performance

The fund underperformed the index over the quarter by 0.5%. Stock selection was the main detractor to performance while asset allocation offset some of the negative relative performance. Stock selection within internet and direction marketing retail industry hampered stock selection performance as holdings in MercadoLibre and Coupang fell during the quarter due to concerns around deteriorating macro conditions. Partially offsetting some underperformance in stock selection was strong performance from Moutai, as some recovering in restocking and price increases helped share price improvement. From a sector perspective, an underweight in materials and an overweight position in energy were the main contributors of positive asset allocation performance. However, an underweight in consumer discretionary and communication services offset some of the performance.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - Before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Macquarie Investment Management	48.5	0.0	-0.1	-0.1	-0.1	-0.2	n/a
BlackRock Investment Management	18.0	-0.4	-1.5	-0.6	-0.2	+0.8	+1.7
William Blair	14.3	-4.9	-5.4	+0.3	n/a	n/a	n/a
GMO	14.2	+1.0	n/a	n/a	n/a	n/a	n/a
AQR	4.9	+2.5	+3.1	+4.2	+4.0	+3.3	n/a

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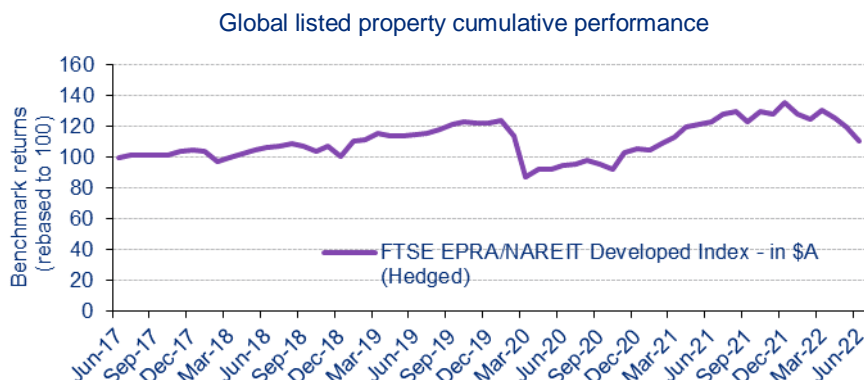
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Real assets

### Global listed property

Domestic listed property experienced poor performance over the quarter and returned -17.5%. Global REIT's returned -15.4% (in AUD hedged terms) over the June quarter.



#### Ready-made options' allocations to Global Listed Property

##### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-15.7	-10.6	-1.1	2.1	3.5	n/a
Benchmark return	-15.6	-10.5	-1.4	1.9	3.4	n/a
Excess return — before fees & taxes	-0.1	-0.1	+0.3	+0.2	+0.1	n/a

##### Manager performance

The fund marginally underperformed over the quarter by -0.1%. Stock selection was the key detractor from relative performance as an underweight holding in Duke Realty Corp and overweight to Segro PLC as well as Kilroy Realty Corp significantly detracted performance. On the other hand an overweight to Mitsubishi Estate Co Ltd, American Tower Corp and Invitation Homes Inc contributed positively to performance.

Proportion of assets managed at quarter end (Mercer High Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Macquarie Investment Management	100.0	-0.1	-0.2	0.0	0.0	-0.1	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer High Growth investment option and are indicative only for other ready-made options.

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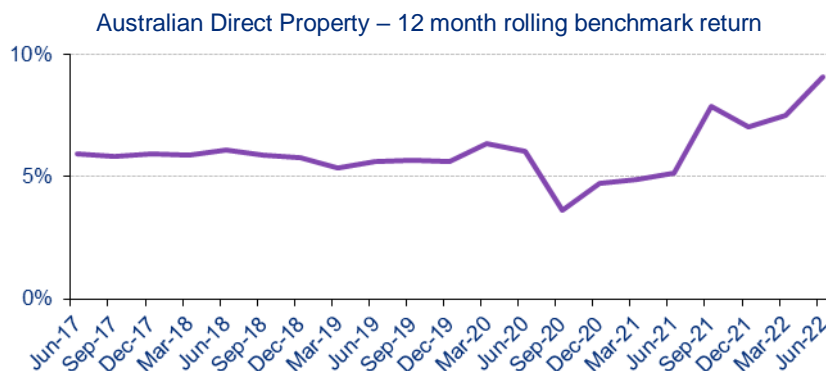
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Real assets

### Australian direct property

The Australian unlisted property sector (NAV) increased 2.6% over the quarter (on a one-month lagged basis).



**Note** The indices used in the graph (above) are: Before 1/9/2009: Mercer Unlisted Property Funds Index. After 1/9/2009: Mercer/IPD Australian Pooled Property Fund Index. Effective January 2016 CPI+4%

#### Ready-made options' allocations to Direct Property

#### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	2.4	18.9	10.8	11.3	11.8	n/a
Benchmark return	3.1	9.1	6.7	6.5	6.9	n/a
Excess return — before fees & taxes	-0.6	+9.8	+4.1	+4.9	+4.8	n/a

#### Manager performance

The fund continues to significantly outperform the Mercer/MSCI Wholesale Property Fund Index (YFYS benchmark) and its CPI+4% benchmark over all annual periods since inception. The fund's relative overweight to Logistics and Non-discretionary retail continues to drive outperformance, albeit we expect this to moderate. Strong occupancy and robust rental streams are expected to be the main driver of returns in the near term and in the face of rising interest rates

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Charter Hall Industrial	26.6	+1.4	+21.8	+14.7	+12.0	+11.1	n/a
Investa Property Group	20.9	-1.0	+2.3	+3.2	+6.6	+7.3	+6.7
Dexus Wholesale Property Fund	14.0	-0.6	+4.3	0.0	+3.1	n/a	n/a
Goodman Funds Management	11.0	-1.4	+28.1	+16.3	+16.4	+16.6	+15.3
Charter Hall Retail	10.8	-1.5	+13.3	+3.1	+3.4	+5.1	n/a
Investa SPV	9.0	-2.8	-5.2	+2.2	+4.6	n/a	n/a
GPT Wholesale Office Fund	4.9	-1.7	+5.5	n/a	n/a	n/a	n/a
AMP Capital Shopping Centre Fund	1.4	-0.4	-0.7	-11.2	n/a	n/a	n/a
Lend lease Investment Management (APPF Retail)	1.3	-1.6	-0.3	-13.1	-8.1	-6.5	-6.8

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other ready-made options.

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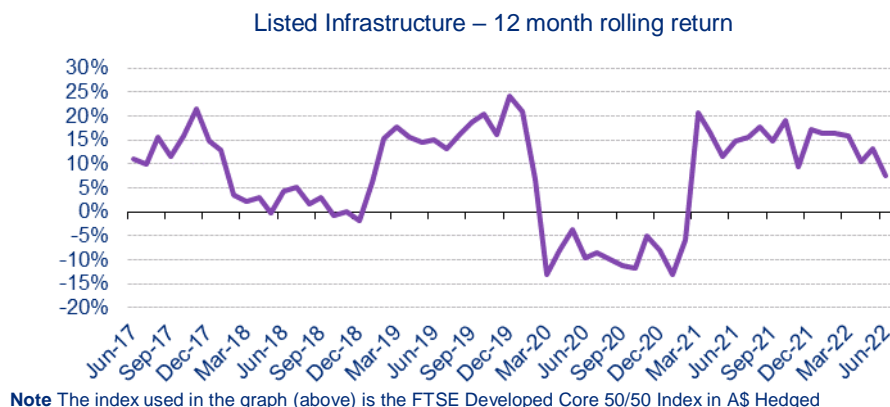
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Real assets

### Global listed infrastructure

Global Core Listed Infrastructure 50/50 index decreased -5.3% for the quarter in hedged terms.



#### Ready-made options' allocations to Listed Infrastructure

##### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-4.8	7.6	3.7	6.0	7.7	n/a
Benchmark return	-4.9	7.6	3.7	6.0	7.6	n/a
Excess return — before fees & taxes	+0.1	-0.0	+0.0	+0.0	+0.0	n/a

##### Manager performance

The fund outperformed the benchmark by 0.1% over the quarter. Key sectors that contributed to performance included the overweight exposure to Real Estate, and an underweight exposure to Energy. The key detractors included an underweight position in Utilities and an overweight position in Industrials. Stock Selection detracted from relative performance and the key detractors were Atlantia Spa, CSX Corp and Aena SME S.A.. Overweights to China Gas Holdings Ltd, Entergy Corp and XCEL Energy inc helped offset the underperformance.

Proportion of assets managed at quarter end (Mercer High Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Macquarie Investment Management	100.0	0.0	-0.1	+0.1	+0.1	0.0	-0.2

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer High Growth investment option and are indicative only for other ready-made options.

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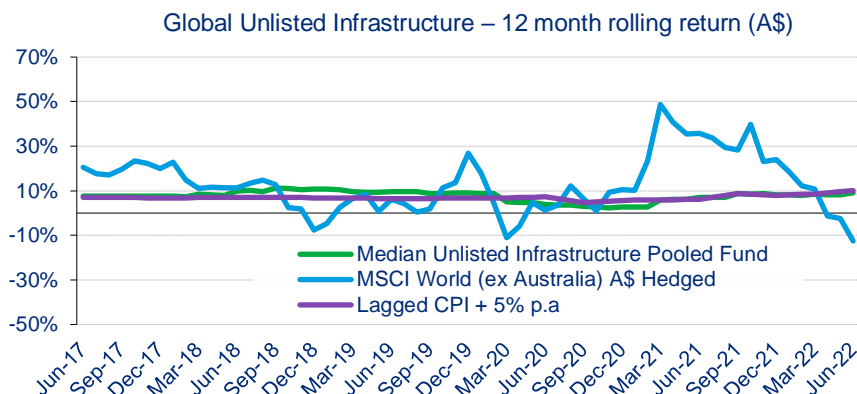
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Real assets

### Global unlisted infrastructure

The unlisted infrastructure sector fell over the quarter as central bank tightening measures, elevated inflation levels and concerns for lower economic growth rates continued to weight on financial markets.



#### Ready-made options' allocations to Global Unlisted Infrastructure

##### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	3.8	13.0	15.0	14.4	16.3	n/a
Benchmark return	3.3	10.1	7.8	7.4	7.2	n/a
Excess return — before fees & taxes	+0.5	+2.9	+7.2	+7.0	+9.1	n/a

##### Manager performance

The fund's return for the quarter was above the benchmark return, which is expressed in gross terms. Important contributors included Macquarie Asia Infrastructure Fund, First Sentier-managed Finerge co-investment and Stonepeak Infrastructure. Distributions were received from KKR-managed co-investment John Laing, Macquarie Asia Infrastructure Fund and Stonepeak Infrastructure. Initial calls were paid to KKR Diversified Infrastructure Fund and Vauban Core Infrastructure Fund, and to fund a new co-investment in a private jet terminal operator (United States), managed by KSL Capital Partners.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
First Sentier Investors	16.1	-3.8	+2.2	+3.6	+5.0	+6.7	+6.5
IFM Investors	14.2	-1.7	+0.6	-0.8	+2.6	+6.5	n/a
KKR Global	12.2	+6.3	+14.7	+23.7	+20.9	+15.1	n/a
Macquarie Asia Infrastructure Fund	11.3	+1.4	+3.2	+3.0	+2.7	n/a	n/a
JP Morgan Infrastructure Investments Fund	9.2	+9.1	+4.9	n/a	n/a	n/a	n/a
KKR Diversified	8.3	-0.9	n/a	n/a	n/a	n/a	n/a
Macquarie Specialised Asset Management	4.9	-2.5	n/a	n/a	n/a	n/a	n/a
Axiom Infrastructure	4.2	+5.0	+7.6	+2.9	n/a	n/a	n/a
DigitalBridge	4.0	-4.3	n/a	n/a	n/a	n/a	n/a
First Sentier Investors	3.8	+23.1	+22.4	+12.6	+10.7	n/a	n/a
Energy Capital Partners	2.7	-2.3	+0.1	n/a	n/a	n/a	n/a
KSL Capital Partners	2.0	n/a	n/a	n/a	n/a	n/a	n/a
I-Squared Capital	1.9	-3.6	-5.8	-12.0	n/a	n/a	n/a
Ardian Infrastructure	1.8	-4.3	n/a	n/a	n/a	n/a	n/a
Vauban Infrastructure Partners	1.8	n/a	n/a	n/a	n/a	n/a	n/a
Stonepeak Infrastructure Partners	1.5	+11.6	+30.1	+21.0	+13.4	n/a	n/a

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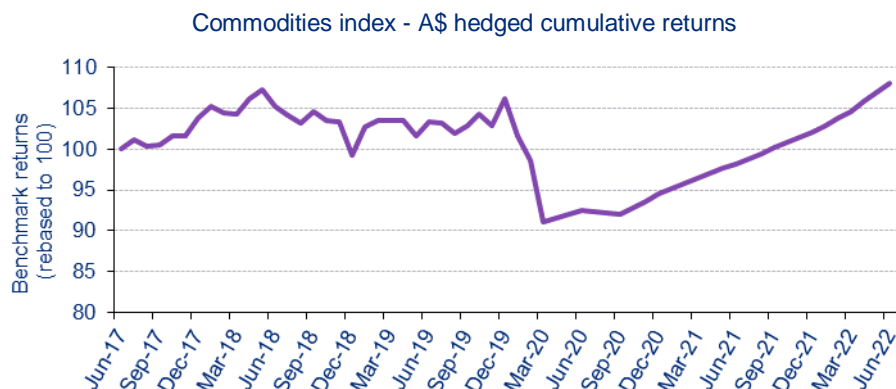
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Real Assets

### Natural resources

The S&P GSCI Commodity Total Return Index increased by 11.4% over the quarter. Gold prices finished the quarter at US\$1,806.87 per ounce, decreasing by 6.9%. Meanwhile, Iron Ore prices decreased by 19.9% to US\$122.5 per metric tonne over the period and Oil increased by 7.0% to US\$114.93 per barrel.



**Note** The indices used in the graph (above) include:

From 1/03/2012: 45% Bloomberg Commodity Index (hedged to A\$); 15% S&P Goldman Sachs Agricultural Index; and 40% CPI + 5%.

### Ready-made options' allocations to Natural Resources

#### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	0.7	20.9	24.3	17.9	12.1	n/a
Benchmark return	3.3	10.1	1.5	1.6	0.2	n/a
Excess return — before fees & taxes	-2.6	+10.8	+22.8	+16.3	+11.9	n/a

#### Manager performance

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) – before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
New Forests Asset Management	100.0	-1.7	+11.1	+16.7	+17.3	+15.2	+13.9

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other ready-made options.



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Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Growth fixed interest

## Private debt

Ready-made options' allocations to Private Debt

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	0.7	4.8	5.8	6.6	6.1	n/a
Benchmark return	0.8	3.1	3.3	4.0	4.1	n/a
Excess return — before fees & taxes	-0.1	+1.7	+2.4	+2.6	+1.9	n/a

### Manager performance

The fund has returned 0.7%, underperforming its Cash + 3% benchmark by 0.1% over the quarter to June 2022, with positive contributions from most managers in the portfolio. The underperformance was primarily driven by Park Square, which returned -1.7%. The portfolio has been markedly resilient with a strong focus on defensive sectors and senior debt in the capital structure. Over the longer-term, the fund has achieved positive excess returns over the 3 year time period to June 2022, exceeding the benchmark by 2.4%.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Metrics Credit Partners Secured Private Debt Fund	28.2	+1.3	+6.4	+7.6	+8.1	n/a	n/a
Audax Credit BDC Inc.	19.2	0.0	+3.1	+4.2	+4.3	+4.0	n/a
HPS Australian Loan Platform	15.2	+0.9	+3.6	n/a	n/a	n/a	n/a
MCP Secured Private Debt Fund II	10.0	+0.9	+5.5	n/a	n/a	n/a	n/a
Park Square Capital	9.4	-1.8	n/a	n/a	n/a	n/a	n/a
ICG Australia Senior Loan Fund	8.8	+1.0	+5.7	n/a	n/a	n/a	n/a
ICG Senior Debt Partners Fund 2	4.8	+2.0	+12.9	+8.7	+9.7	+9.7	n/a
Westbourne Mercer Yield Fund	3.2	-2.2	+2.5	+5.0	+5.1	+5.6	+5.8
Ares European Credit Investments (IV) A	1.4	+3.4	+4.7	n/a	n/a	n/a	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other ready-made options.

**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Growth fixed interest

## High yield debt

Ready-made options' allocations to High Yield Debt

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-10.4	-13.0	1.2	2.0	3.4	n/a
Benchmark return	-10.1	-13.1	-1.3	1.2	3.2	n/a
Excess return — before fees & taxes	-0.3	+0.1	+2.5	+0.8	+0.2	n/a

### Manager performance

The fund returned -10.4% in the June quarter, underperforming its benchmark by 0.3%. The fund invests into the Dublin Global High Yield Fund, which has two underlying managers, Nomura and PGIM. The Dublin Fund is managed against an up-in-quality benchmark (excluding CCC rated securities and Emerging Market securities), however, we have allowed our managers an approximate 15% "flex" into CCC rated securities where they deem appropriate.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Mercer (Dublin)	100.0	-0.3	0.0	+0.7	+0.4	-0.1	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other ready-made options.

NOTE: Past performance is not a reliable indicator of future performance.

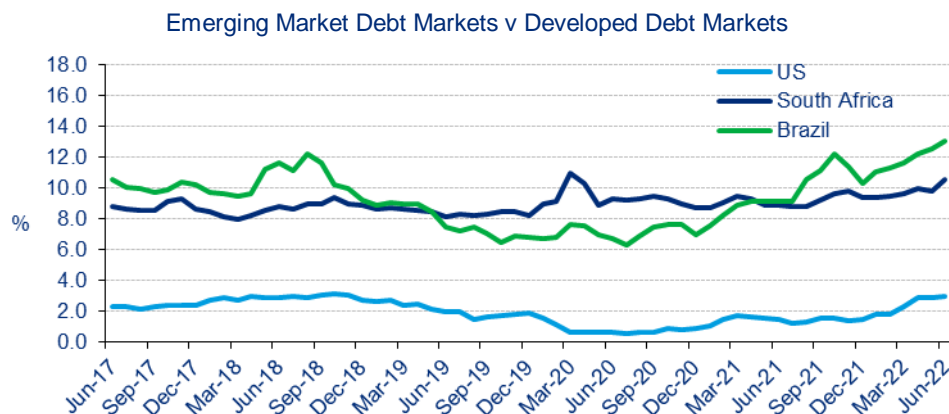
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Growth fixed interest

## Emerging markets debt

Emerging Market Debt returns were negative over the June quarter, returning -0.2% on an unhedged basis.



Ready-made options' allocations to Emerging Markets Debt

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	0.4	-9.7	-3.8	0.1	1.7	n/a
Benchmark return	-0.2	-11.9	-5.2	-0.1	1.1	n/a
Excess return — before fees & taxes	+0.6	+2.1	+1.3	+0.2	+0.6	n/a

### Manager performance

The Local Currency Emerging Market Debt fund returned 0.4% over the June quarter, outperforming the benchmark index by 0.6%. Colchester and Wellington produced positive excess returns over the quarter, while BlackRock slightly underperformed the benchmark. Over the past year, the Fund returned -9.7%, outperforming the benchmark index by 2.2%, with all three managers contributing positively. Towards the end of the quarter, Wellington was transitioned out of the Fund and replaced with Neuberger Berman (NB). NB have a more balanced approach to emerging market rates and FX rates which should bring more alpha diversity to the Fund.

Proportion of assets managed at quarter end (Mercer Smartpath)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Colchester Global Investors	50.6	+1.1	+2.4	+1.5	+1.4	n/a	n/a
BlackRock	47.7	-0.1	+0.4	+0.6	-0.9	n/a	n/a
Wellington Management	1.8	+1.0	+4.0	+1.8	n/a	n/a	n/a

1 Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other ready-made options.

**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Defensive fixed interest

# Global absolute return bonds

Ready-made options' allocations to Global Absolute Return Bonds

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-2.7	-4.8	0.4	1.3	1.5	n/a
Benchmark return	0.3	1.1	1.3	2.0	2.1	n/a
Excess return — before fees & taxes	-3.0	-5.9	-0.9	-0.7	-0.6	n/a

### Manager performance

The fund returned -2.7% over the June quarter, underperforming its Cash + 1% benchmark by 3.0%. Over the past 1 and 3 years, the fund has underperformed the benchmark by 5.9% and 1.2% p.a. respectively. Payden & Rygel, PIMCO and Newton delivered negative absolute returns in the quarter, as the trend of widening credit spreads and rising yields accelerated. Ardea continued to play its defensive role in the portfolio, outperforming the benchmark during another volatile quarter. .

Proportion of assets managed at quarter end (Mercer Moderate Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Adrea Investment Management	31.5	+1.2	+1.6	n/a	n/a	n/a	n/a
Newton Investment Management	28.9	-6.2	-9.2	-2.1	n/a	n/a	n/a
PIMCO	20.0	-3.9	n/a	n/a	n/a	n/a	n/a
Payden & Rygel	19.6	-3.0	-5.4	-1.1	n/a	n/a	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer Moderate Growth investment option and are indicative only for other ready-made options.

**NOTE: Past performance is not a reliable indicator of future performance.**

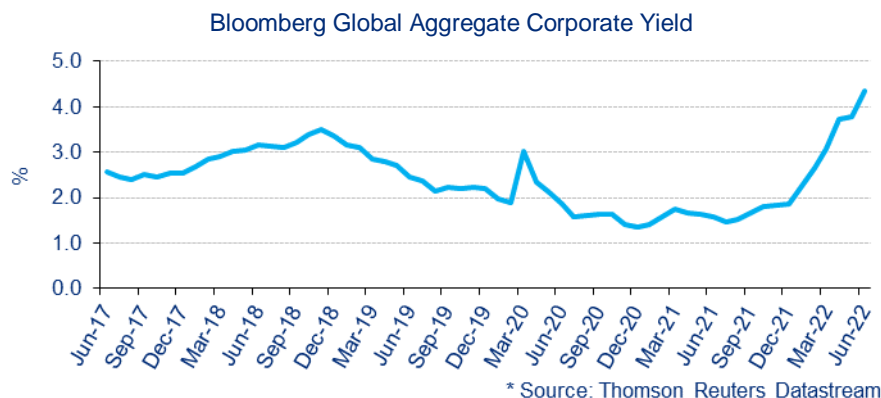
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Defensive fixed interest

## Global credit

Global Credit returns were negative, returning -7.5% on a hedged basis over the June quarter.



Ready-made options' allocations to Global Credit

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-6.7	-12.6	-1.5	0.9	2.3	3.8
Benchmark return	-6.7	-12.7	-1.9	0.6	2.1	3.4
Excess return — before fees & taxes	-0.1	+0.2	+0.3	+0.3	+0.2	+0.5

### Manager performance

The fund delivered a -6.7% return over the June quarter, underperforming its benchmark by 0.1%. Over 1 and 3 years, the Fund outperformed the benchmark by 0.1% and 0.4% p.a respectively. Over the quarter, Wellington delivered positive alpha while AXA and Robeco underperformed their respective benchmarks. Similarly over the year, Wellington outperformed, while AXA and Robeco underperformed. Credit markets struggled in the quarter as bond yields rose sharply and credit spreads widened.

Proportion of assets managed at quarter end (Mercer Moderate Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Wellington Management	41.8	+0.4	+0.4	+0.6	+0.5	+0.6	+0.9
Robeco	32.1	-0.8	-0.1	+0.8	n/a	n/a	n/a
AXA Investment Managers	26.2	-0.2	-0.3	-0.5	-0.3	-0.4	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer Moderate Growth investment option and are indicative only for other ready-made options.

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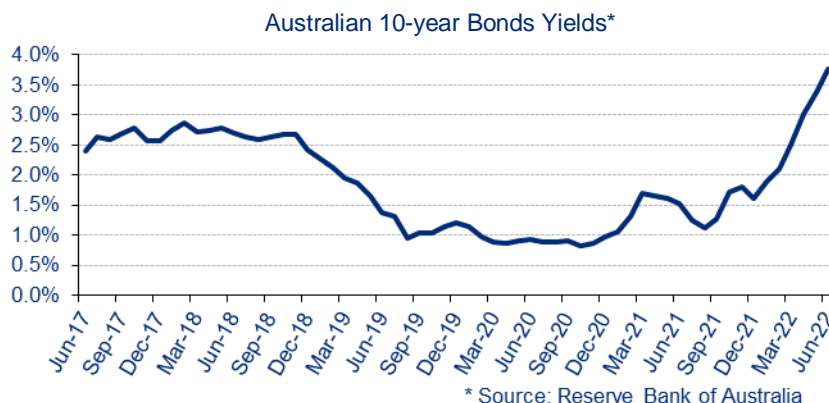
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Defensive fixed interest

### Australian sovereign bonds

Domestically, the Australian 10-year bond yield (82bps to 3.66%), five-year bond yield (76bps to 3.36%) and two-year bond yield (119bps to 2.99%) all increased. The Bloomberg Ausbond indices returned broadly negative results over the quarter, with the Bloomberg Ausbond Bank producing the highest quarterly return, returning 0.1%, and the weakest being the Bloomberg Ausbond Inflation, returning -5.9%.



Ready-made options' allocations to Australian Sovereign Bonds

#### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-3.7	-10.6	-2.7	1.1	1.9	2.6
Benchmark return	-3.8	-10.8	-3.0	0.8	1.6	2.2
Excess return — before fees & taxes	+0.1	+0.2	+0.3	+0.3	+0.3	+0.4

#### Manager performance

The fund returned -3.7% over the quarter, marginally outperforming the benchmark. Over 1 and 3 years, the fund has outperformed the benchmark by 0.2% and 0.3% p.a. respectively. Schroders was appointed to the Fund in June 2022, replacing Pandal which was terminated in late 2021. In addition, the active portion of the Fund was increased from 50% to 60% to facilitate alpha generation. The June quarter saw continued rises in Australian Government Bond yields (i.e. falling bond prices) as markets priced in further RBA rate hikes.

Proportion of assets managed at quarter end (Mercer High Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Macquarie Investment Management	50.0	0.0	0.0	-0.1	-0.1	n/a	n/a
Challenger	28.4	+0.2	+0.7	+0.7	+0.8	n/a	n/a
Jamieson Coote Bonds	7.0	0.0	-0.3	n/a	n/a	n/a	n/a
Schroders	6.6	n/a	n/a	n/a	n/a	n/a	n/a
Challenger	5.2	+0.2	+0.7	+0.7	+0.7	+0.7	+1.0
Macquarie Investment Management	3.0	0.0	0.0	0.0	-0.1	-0.1	0.0

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer High Growth investment option and are indicative only for other ready-made options.

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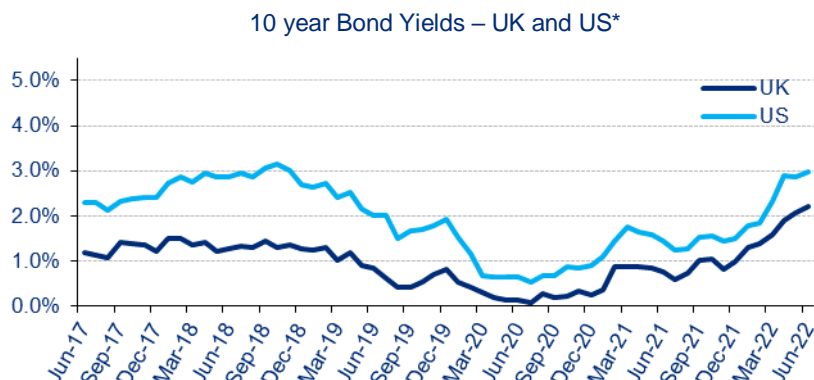
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Defensive fixed interest

### Global sovereign bonds

Global sovereign bonds produced broadly negative returns over the June quarter as ten-year bond yields increased in the US (65bps to 2.97%), Germany (86bps to 1.37%), UK (62bps to 2.21%) and Japan (2bps to 0.23%). Two-year bond yields increased in the US (68bps to 2.94%), Germany (72bps to 0.54%) and the UK (52bps to 1.88), whilst decreasing in Japan (-2bps to -0.06%). In terms of Global Bond indices, the Barclays Capital Global Aggregate Bond Index returned -4.7% and the FTSE World Government Bond (ex-Australia) Index decreased by 4.9% over the June quarter, both on a fully hedged basis.



\* Source: Thomson Reuters Datastream

Ready-made options' allocations to Global Sovereign Bonds

#### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-4.0	-8.6	-1.0	1.7	2.8	4.0
Benchmark return	-4.6	-9.9	-2.0	0.6	1.8	3.0
Excess return — before fees & taxes	+0.6	+1.3	+1.0	+1.0	+1.0	+1.1

#### Manager performance

The fund returned -4.0% over the quarter, outperforming the benchmark by 0.6%. Over 1 and 3 years, the fund has outperformed the benchmark by 1.3% and 1.0% p.a. respectively. Over the quarter, T. Rowe Price returned -2.6%, outperforming the benchmark by 1.9%. Colchester returned -3.8%, outperforming its benchmark by 0.8%. Global Government bond yields continued to rise in the quarter as central banks actioned rate hikes and markets price in further rises.

Proportion of assets managed at quarter end (Mercer Moderate Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
LGIM	52.0	+0.1	+0.2	+0.1	n/a	n/a	n/a
Colchester Global Investors	25.3	+0.8	+0.4	+0.7	+0.4	n/a	n/a
T Rowe Price	22.7	+1.9	n/a	n/a	n/a	n/a	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer Moderate Growth investment option and are indicative only for other ready-made options.



**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

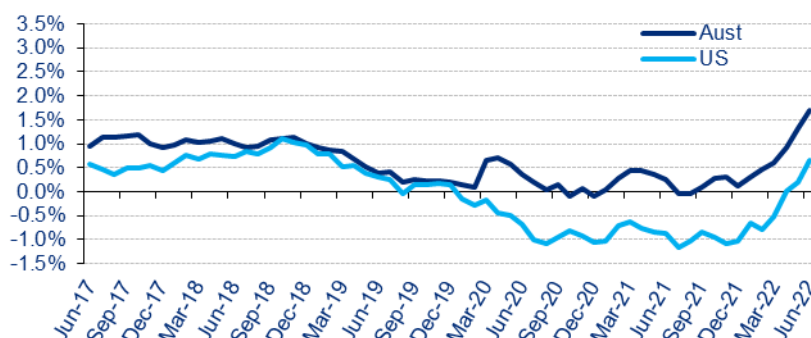
Refer to page 43 for Asset class benchmarks.

## Defensive fixed interest

### Australian inflation plus

The Inflation Plus Fund achieved positive returns over the June quarter. Index returns representing Australian CPI +1% (lagged) delivered 2.4% over the June quarter.

Australian vs US Indexed Bond Yields\*



\* Source:  
- Reserve Bank of Australia (RBA)  
- Thomson Reuters Datastream

Ready-made options' allocations to Australian Inflation Plus

#### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	3.0	4.1	4.2	4.1	3.6	3.3
Benchmark return	2.4	5.7	3.6	3.3	3.1	2.8
Excess return — before fees & taxes	+0.7	-1.6	+0.6	+0.8	+0.5	+0.5

#### Manager performance

The fund returned 3.0% in the June quarter, outperforming its CPI + 1% benchmark by 0.7%. Over 1 year, the fund returned 4.1%, underperforming its benchmark by 1.6%. Over 3 years, the Fund has return 4.2% p.a. and has outperformed its benchmark by 067% p.a. Over the past year, the Fund's rolling 1 year return has fallen below its benchmark of CPI + 1%. However, we note that this is largely due to the significant rise in inflation over this period, with CPI now at its highest since 2001. The Fund has proven its strong defensive qualities, significantly outperforming Australian Government Bonds and Australian Inflation-Linked Bonds since March 2022, over a period where bond markets have severely underperformed.

Proportion of assets managed at quarter end (Mercer Moderate Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Ardea Investment Management	100.0	+0.7	-1.5	+1.2	+1.8	+1.7	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer Moderate Growth investment option and are indicative only for other ready-made options.

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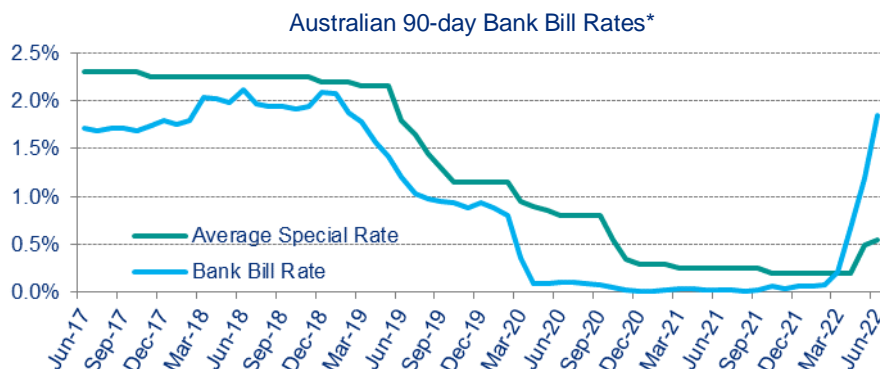
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Cash

## Cash

The RBA has maintained the cash rate to 1.35% until the end of quarter. Australian Dollar (AUD) depreciated against major developed market currencies over the June quarter, finishing at US\$0.69. The AUD depreciated against the USD (-8.4%), the Pound Sterling (-0.7%) and the Euro (-2.5%), while appreciating against the Japanese Yen (2.5%). On a trade-weighted basis, the local currency depreciated by 2.8% over the quarter.



\* Source: Reserve Bank of Australia (RBA.), Thomson Reuters Datastream

### Ready-made options' allocations to Cash

#### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	0.1	0.1	0.5	1.1	1.4	n/a
Benchmark return	0.1	0.1	0.3	0.9	1.2	n/a
Excess return — before fees & taxes	+0.0	+0.1	+0.1	+0.1	+0.3	n/a

#### Manager performance

The fund returned 0.1% over the June quarter, in line with the benchmark. Over both the 1 and 3 year periods, the fund has outperformed the benchmark by 0.1%.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
BlackRock	100.0	0.0	+0.1	+0.1	+0.2	+0.2	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other ready-made options.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

# Select-Your-Own Options – Mercer Sustainable Plus

## Mercer Sustainable Plus Growth

### Objectives

- To achieve a return, (after tax and investment fees) that exceeds CPI increased by at least 3.0% per annum over rolling five year periods. This objective for the five years to quarter end was 5.6% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs^ (p.a.)	10 yrs (p.a.)
Total returns	-7.5	-5.6	7.1	9.1
Benchmark return*	-7.2	-4.4	6.6	8.5
Excess returns	-0.3	-1.2	+0.5	+0.6

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs^ (p.a.)	10 yrs (p.a.)
Total returns	-7.0	-5.2	5.9	7.6

^Time horizon for this investment option's objective (refer above)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	26.5	25.2	0.0	25.2
	Australian Shares - Small Cap	0.0	0.6	0.0	0.6
	International Shares - Lge Cap	32.5	31.2	0.0	31.2
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	0.9	0.0	0.9
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	1.0	0.7	0.0	0.7
	Australian Direct Property	6.0	3.4	3.5	6.9
	Global Listed Infrastructure	0.0	1.0	0.0	1.0
	Global Unlisted Infrastructure	8.0	3.7	1.6	5.3
	Natural Resources	1.0	1.7	0.0	1.7
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	3.0	1.2	0.4	1.6
	Diversified Growth Funds	1.0	0.7	0.6	1.3
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	2.6	0.7	0.7	1.4
	High Yield Debt	0.0	0.2	0.3	0.5
	Emerging Markets Debt	3.9	1.9	1.8	3.7
Defensive Fixed Interest & Cash	Absolute Return Bonds	2.0	0.0	1.7	1.7
	Global Short Term Bonds	0.0	0.0	0.0	0.0
	Global Credit	0.0	0.0	0.0	0.0
	Australian Sovereign Bonds	4.9	0.0	4.9	4.9
	Global Sovereign Bonds	4.0	0.0	3.9	3.9
	Australian Inflation Plus	1.0	0.0	0.7	0.7
	Cash	2.6	0.0	6.8	6.8
		100.0	73.1	26.9	100.0
FX Exposure		27.0			26.3

### Performance attribution this quarter (%)

Asset allocation	-0.5
Stock/manager selection	0.1
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-0.4</b>

## Mercer Sustainable Plus Australian Shares

### Objectives

- To exceed the benchmark, after investment fees, over the medium to long term.

Total & excess returns - before fees & taxes (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)
Total returns	-12.6	-7.9	n/a	n/a
Benchmark return*	-12.2	-6.8	n/a	n/a
Excess returns	-0.4	-1.1	n/a	n/a

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)
Total returns	-11.3	-6.1	n/a	n/a

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	100.0	99.3	0.0	99.3
	Australian Shares - Small Cap	0.0	0.0	0.0	0.0
	International Shares - Lge Cap	0.0	0.0	0.0	0.0
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	0.0	0.0	0.0
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	0.0	0.0	0.0	0.0
	Australian Direct Property	0.0	0.0	0.0	0.0
	Global Listed Infrastructure	0.0	0.0	0.0	0.0
	Global Unlisted Infrastructure	0.0	0.0	0.0	0.0
	Natural Resources	0.0	0.0	0.0	0.0
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	0.0	0.0	0.0	0.0
	Diversified Growth Funds	0.0	0.0	0.0	0.0
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	0.0	0.0	0.0	0.0
	High Yield Debt	0.0	0.0	0.0	0.0
	Emerging Markets Debt	0.0	0.0	0.0	0.0
Defensive Fixed Interest & Cash	Absolute Return Bonds	0.0	0.0	0.0	0.0
	Global Short Term Bonds	0.0	0.0	0.0	0.0
	Global Credit	0.0	0.0	0.0	0.0
	Australian Sovereign Bonds	0.0	0.0	0.0	0.0
	Global Sovereign Bonds	0.0	0.0	0.0	0.0
	Australian Inflation Plus	0.0	0.0	0.0	0.0
	Cash	0.0	0.0	0.7	0.7
		100.0	99.3	0.7	100.0
FX Exposure		0.0			0.0

### Performance attribution this quarter (%)

Asset allocation	0.1
Stock/manager selection	-0.5
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-0.4</b>

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

# Select-Your-Own Options – Mercer Sustainable Plus

## Mercer Sustainable Plus Global Shares

### Objectives

- To exceed the benchmark by 1.5% per annum (before investment fees) on a rolling five year basis.

Total & excess returns - before fees & taxes (%)	3 months	1 year	3 yrs (p.a.)	5 yrs^ (p.a.)
Total returns	-8.6	-11.5	n/a	n/a
Benchmark return*	-8.5	-6.5	n/a	n/a
Excess returns	-0.1	-5.0	n/a	n/a

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	3 yrs (p.a.)	5 yrs^ (p.a.)
Total returns	-7.7	-10.5	n/a	n/a

^Time horizon for this investment option's objective (refer above)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	0.0	0.0	0.0	0.0
	Australian Shares - Small Cap	0.0	0.0	0.0	0.0
	International Shares - Lge Cap	100.0	99.1	0.0	99.1
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	0.0	0.0	0.0
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	0.0	0.0	0.0	0.0
	Australian Direct Property	0.0	0.0	0.0	0.0
	Global Listed Infrastructure	0.0	0.0	0.0	0.0
	Global Unlisted Infrastructure	0.0	0.0	0.0	0.0
	Natural Resources	0.0	0.0	0.0	0.0
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	0.0	0.0	0.0	0.0
	Diversified Growth Funds	0.0	0.0	0.0	0.0
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	0.0	0.0	0.0	0.0
	High Yield Debt	0.0	0.0	0.0	0.0
	Emerging Markets Debt	0.0	0.0	0.0	0.0
Defensive Fixed Interest & Cash	Absolute Return Bonds	0.0	0.0	0.0	0.0
	Global Short Term Bonds	0.0	0.0	0.0	0.0
	Global Credit	0.0	0.0	0.0	0.0
	Australian Sovereign Bonds	0.0	0.0	0.0	0.0
	Global Sovereign Bonds	0.0	0.0	0.0	0.0
	Australian Inflation Plus	0.0	0.0	0.0	0.0
	Cash	0.0	0.0	0.9	0.9
		100.0	99.1	0.9	100.0
FX Exposure		100.0			99.1

Performance attribution this quarter (%)	
Asset allocation	0.1
Stock/manager selection	-0.2
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-0.1</b>

## Mercer Sustainable Plus High Growth

### 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. This objective for the seven years to quarter end was n/a per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	7 yrs^ (p.a.)	10 yrs (p.a.)
Total returns	-9.3	-7.1	n/a	n/a
Benchmark return*	-8.6	-4.9	n/a	n/a
Excess returns	-0.7	-2.2	n/a	n/a

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	7 yrs^ (p.a.)	10 yrs (p.a.)
Total returns	-8.2	-6.2	n/a	n/a

^Time horizon for this investment option's objective (refer above)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	34.0	33.7	0.0	33.7
	Australian Shares - Small Cap	0.0	0.8	0.0	0.8
	International Shares - Lge Cap	40.5	40.4	0.0	40.4
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	1.1	0.0	1.1
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	0.0	0.2	0.0	0.2
	Australian Direct Property	6.5	3.1	3.2	6.3
	Global Listed Infrastructure	0.0	0.7	0.0	0.7
	Global Unlisted Infrastructure	6.0	2.5	1.1	3.6
	Natural Resources	1.0	1.6	0.0	1.6
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	3.0	1.0	0.4	1.4
	Diversified Growth Funds	1.0	0.6	0.6	1.2
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	2.0	0.5	0.5	1.0
	High Yield Debt	0.0	0.2	0.1	0.3
	Emerging Markets Debt	3.0	1.3	1.3	2.6
Defensive Fixed Interest & Cash	Absolute Return Bonds	0.0	0.0	0.0	0.0
	Global Short Term Bonds	0.0	0.0	0.0	0.0
	Global Credit	0.0	0.0	0.0	0.0
	Australian Sovereign Bonds	1.0	0.0	0.9	0.9
	Global Sovereign Bonds	1.0	0.0	0.6	0.6
	Australian Inflation Plus	0.0	0.0	0.0	0.0
	Cash	1.0	0.0	3.6	3.6
		100.0	87.7	12.3	100.0
FX Exposure		31.5			31.5

Performance attribution this quarter (%)	
Asset allocation	-0.7
Stock/manager selection	0.0
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-0.7</b>

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Select-Your-Own Options – Mercer Sustainable Plus

### Mercer Sustainable Plus Moderate Growth

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.0% per annum over rolling four year periods. This objective for the four years to quarter end was n/a per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	4 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-5.7	-5.1	n/a	n/a
Benchmark return*	-5.1	-3.6	n/a	n/a
Excess returns	-0.6	-1.5	n/a	n/a

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	4 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-5.2	-5.0	n/a	n/a

<sup>^</sup>Time horizon for this investment option's objective (refer above)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	17.5	16.4	0.0	16.4
	Australian Shares - Small Cap	0.0	0.8	0.0	0.8
	International Shares - Lge Cap	21.5	24.0	0.0	24.0
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	1.2	0.0	1.2
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	1.0	0.8	0.0	0.8
	Australian Direct Property	5.0	2.8	2.8	5.6
	Global Listed Infrastructure	0.0	0.8	0.0	0.8
	Global Unlisted Infrastructure	6.0	2.7	1.2	3.9
	Natural Resources	1.0	1.6	0.0	1.6
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	3.0	1.1	0.3	1.4
	Diversified Growth Funds	0.5	0.3	0.2	0.5
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	4.1	1.2	1.1	2.3
	High Yield Debt	0.0	0.4	0.3	0.7
	Emerging Markets Debt	3.9	1.7	1.6	3.3
Defensive Fixed Interest & Cash	Absolute Return Bonds	4.0	0.0	3.8	3.8
	Global Short Term Bonds	0.0	0.0	0.0	0.0
	Global Credit	3.0	0.0	3.9	3.9
	Australian Sovereign Bonds	7.1	0.0	6.4	6.4
	Global Sovereign Bonds	6.0	0.0	4.4	4.4
	Australian Inflation Plus	5.0	0.0	5.6	5.6
	Cash	11.4	0.0	12.6	12.6
		100.0	55.8	44.2	100.0
FX Exposure		22.0			21.6

#### Performance attribution this quarter (%)

Asset allocation	-0.8
Stock/manager selection	0.2
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-0.6</b>

### Mercer Sustainable Plus Conservative Growth

#### Objectives

- To exceed the benchmark (after tax and investment fees) that exceeds CPI increased by at least 1.0% per annum over rolling three year periods. This objective for the three years to quarter end was n/a per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	3 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-3.9	-3.5	n/a	n/a
Benchmark return*	-3.4	-2.8	n/a	n/a
Excess returns	-0.5	-0.7	n/a	n/a

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	3 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-3.6	-3.4	n/a	n/a

<sup>^</sup>Time horizon for this investment option's objective (refer above)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	9.5	9.9	0.0	9.9
	Australian Shares - Small Cap	0.0	0.5	0.0	0.5
	International Shares - Lge Cap	11.5	10.3	0.0	10.3
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	0.7	0.0	0.7
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	2.0	2.0	0.0	2.0
	Australian Direct Property	4.0	2.3	2.4	4.7
	Global Listed Infrastructure	0.0	0.7	0.0	0.7
	Global Unlisted Infrastructure	6.0	2.8	1.2	4.0
	Natural Resources	1.0	1.7	0.0	1.7
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	2.0	0.7	0.3	1.0
	Diversified Growth Funds	1.0	0.6	0.7	1.3
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	4.4	1.2	1.2	2.4
	High Yield Debt	0.0	0.4	0.4	0.8
	Emerging Markets Debt	2.1	0.9	0.9	1.8
Defensive Fixed Interest & Cash	Absolute Return Bonds	4.0	0.0	4.0	4.0
	Global Short Term Bonds	0.0	0.0	0.0	0.0
	Global Credit	3.0	0.0	4.2	4.2
	Australian Sovereign Bonds	11.0	0.0	10.4	10.4
	Global Sovereign Bonds	10.0	0.0	6.3	6.3
	Australian Inflation Plus	7.0	0.0	8.2	8.2
	Cash	21.5	0.0	25.1	25.1
		100.0	34.7	65.3	100.0
FX Exposure		13.0			13.2

#### Performance attribution this quarter (%)

Asset allocation	-0.6
Stock/manager selection	0.1
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-0.5</b>

**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 43 for Asset class benchmarks.

## Select-Your-Own Options – Other Investment Options

Total returns (%) — after fees and taxes

Investment option	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Mercer Australian Shares	-10.8	-4.7	4.6	7.1	7.2	9.1
Mercer International Shares	-5.6	-6.9	6.9	9.0	8.5	12.2
Mercer International Shares - Hedged	-11.8	-12.3	5.3	6.4	7.0	9.7
Mercer Passive Australian Shares	-10.6	-4.5	3.9	6.9	6.8	8.8
Mercer Passive International Shares	-7.8	-5.5	7.5	9.6	8.8	12.7
Mercer Passive Australian Listed Property	-16.4	-11.1	-2.4	3.9	4.6	7.5

# Important notes about this report

- **Past performance is not a reliable indicator of future performance.**
- Only Mercer Super Trust (MST) investment options that were invested in at the end of the quarter are reported on (and in the case of the Mercer SmartPath investment options only the 'Paths').
- **Total returns** are based on exit prices. Total returns are shown both before and allowing for the deduction of taxes and investment fee. Returns greater than one year are shown on an annualised basis.
- **Excess returns** relative to benchmark are calculated by the difference between performance (before investment management fees and taxes) and the asset-weighted benchmark return.

Asset weights used are those shown in the Product Disclosure Statements (PDS) for your employer's plan in the Corporate Superannuation Division in the Mercer Super Trust, and Investment Policy Statement (IPS) as relevant.

The applicable benchmark is noted in the summary of before fees and taxes performance. As noted, for certain investment options (i.e. those invested in multiple sectors such as the ready-made options) a composite of the relevant benchmarks applies.

- **Benchmark** refers to an asset allocation benchmark that currently applies only to certain investment options. In this report, the Benchmark is used in respect of the asset allocations for the following investment options:
  - Ready-made options (excluding Mercer Cash)
  - Mercer Sustainable Plus Shares
  - Mercer Sustainable Plus Growth

The Benchmark falls within the asset allocation benchmark range specified in the PDS.

- **Performance attribution** refers to another way of deriving the excess return. With performance attribution, performance above or below the benchmark return can be "attributed" to two factors:
  1. **Asset allocation:** the degree to which actual asset allocation varies from the benchmark asset allocation.
  2. **Stock/manager selection:** the degree to which returns achieved by underlying managers in the various asset classes vary from the relevant benchmark returns for those asset classes.
- Performance (before investment fees and taxes) may be provisional depending on information available at the time of publication and may be subject to adjustment.
- As mentioned in the PDS, some investment options may also include "opportunistic" investments. However, no such investments were held at quarter end.
- Returns throughout this report may be subject to rounding error.



# Asset class benchmarks

Shares	
Australian Shares	S&P/ASX 300 Accumulation Index <i>This benchmark is used for the MST ready-made options' allocations to this asset class. Alternate benchmarks may apply to managers individually.</i>
Australian Small Companies	S&P/ASX Small Ordinaries Accumulation Index <i>This benchmark is used for the MST ready-made options' allocations to this asset class.</i>
International Shares	Unhedged: MSCI World Index (ex Australia) in A\$ with net dividends reinvested Hedged: MSCI World Index (ex Australia) - in A\$ (Hedged) with net dividends reinvested Low Volatility: MSCI Min Vol \$A Optimised in \$A unhedged <i>This benchmark is used for the MST ready-made options' allocations to this asset class.</i>
Global Small Companies	MSCI World Small Cap Index <i>Prior to July 2014 the benchmark was S&amp;P Developed Small Cap Index. Therefore, calculations for longer period benchmark returns are inclusive of this data.</i>
Emerging Markets	MSCI Emerging Markets Index (ex Tobacco and Controversial Weapons) in A\$ <i>This benchmark is used for the MST ready-made options' allocations to this asset class.</i>
Sustainable Plus Australian Shares	S&P/ASX 300 Accumulation Index
Sustainable Plus Global Shares (Unhedged)	MSCI World (NRD) Index in A\$
Real Assets	
Global Listed Property	FTSE EPRA/NAREIT Developed Index in A\$ (Hedged) <i>Prior to October 2012 the benchmark was UBS Investors Index - in A\$ (Hedged). Therefore, calculations for longer period benchmark returns are inclusive of this data. This benchmark is used for the MST ready-made options' allocations to this asset class.</i>
Australian Direct Property	CPI + 4% <i>Prior to January 2016 Mercer/IPD Australian Pooled Property Fund Index. These are/were the benchmarks used for the MST ready-made options' allocations to this asset class.</i>
Global Listed Infrastructure	FTSE Global Core 50/50 Index in A\$ Hedged <i>These benchmarks are/were used for the MST ready-made options' allocations to this asset class. Alternate benchmarks may apply to managers individually.</i>
Global Unlisted Infrastructure	CPI + 5% (lagged one quarter) <i>During the period January 2016 to December 2018 the benchmark was CPI + 3%. Benchmark used in this report is lagged one quarter. This benchmark is used for the MST ready-made options' allocations to this asset class. Alternate benchmarks may apply to managers individually.</i>
Natural Resources	Lagged CPI+5% <i>From January 2018 to April 2020 the benchmark was composite 60% Bloomberg Commodity Index in A\$ (Hedged), plus 40% Consumer Price Index + 5%. From March 2012 to December 2017 the benchmark was composite benchmark made up of 45% Bloomberg Commodity Index in A\$ (Hedged); 15% S&amp;P Goldman Sachs Agricultural Index; 40% CPI + 5%. Therefore, calculations for longer period benchmark returns are inclusive of this data. These benchmarks are/were used for the MST ready-made options' allocations to this asset class. Alternate benchmarks may apply to managers individually.</i>
Growth Fixed Interest	
Emerging Markets Debt	JP Morgan GBI-EM Global Diversified Index (Unhedged)
Private Debt	Bloomberg AusBond Bank Bill Index +3%
High Yield Debt	BofA Merrill Lynch Global High Yield Constrained Index <i>Prior to August 2016: Bank of America BB-B Developed Markets High Yield Constrained Index in A\$ (Hedged).</i>
Defensive Fixed Interest	
Global Absolute Return Bonds	Bloomberg AusBond Bank Bill Index +1%
Global Short Term Bonds	Bloomberg AusBond Bank Bill Index
Global Credit	60% Barclays Global Aggregate - Corporate Index in A\$ (Hedged) 40% Barclays Capital Global Aggregate ex Government ex Treasuries Index in A\$ (Hedged) <i>These are/were the benchmarks used for the MST ready-made options' allocations to this asset class. Alternate benchmarks may apply to managers individually.</i>
Australian Sovereign Bonds	Bloomberg Australian Treasury Bond Index 0+ (All Maturities) <i>These are/were the benchmarks used for the MST ready-made options' allocations to this asset class.</i>
Global Sovereign Bonds	JP Morgan Global Sovereign Bond Index in A\$ (Hedged) <i>From December 2013 to January 2017, the benchmark was JP Morgan Global Sovereign Bond Index (Customised) in A\$ (Hedged). Therefore, calculations for longer period benchmark returns are inclusive of this data. These are/were the benchmarks used for the MST ready-made options' allocations to this asset class. Alternate benchmarks may apply to managers individually.</i>
Australian Inflation Plus	CPI +1% <i>This benchmark is used for the MST ready-made options' allocations to this asset class.</i>
Cash	
Cash	Bloomberg AusBond Bank Bill Index <i>This benchmark is used for the MST ready-made options' allocations to this asset class</i>

## For further information

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