

Mercer Super Trust

Quarterly Report

Westpac Group Plan

31 March 2025

Economic review

Australia: Australian budget 2025-26 sees a return to fiscal deficit

- The Australian Federal Budget released in March included cost of living measures and healthcare funding. After consecutive surpluses, this year's Budget returns to a deficit, but projected debt levels remain low compared to other developed economies.
- Decreasing inflation allowed the Reserve Bank of Australia (RBA) to reduce the cash rate by 0.25% to 4.10% in February, the first rate cut since 2020. However, the RBA cautioned against expecting further cuts due to tight labour market conditions, limited labour supply and stagnant productivity growth. Australian Q4'24 CPI was 2.4% Year on Year (YoY).
- Australian GDP for Q4'24 rose to 0.6% Quarter on Quarter (QoQ) up from 0.3%, due to stronger than expected household consumption. This is in line with market expectations and exceeds the RBA's forecast of 0.5%.
- The Australian unemployment rate remained steady rising only +0.1% over Q1'25 to end the quarter at 4.1%. The RBA will likely look for evidence of a weakening labour market before cutting rates again.

International: German parliament passes defensive infrastructure spending bill

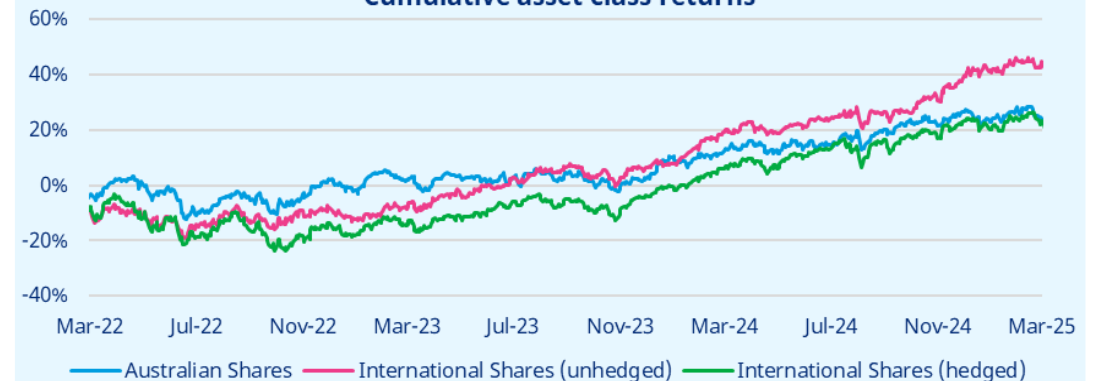
- Since the Trump Zelenskyy meeting in February, European leaders have been prompted to increase fiscal spending, especially on defence. The German parliament passed a bill to exclude defence spending from the debt limit and increase infrastructure spending by 500 billion Euro. This is a huge shift for Europe, especially for Germany which has historically been conservative in its fiscal policy.
- President Trump imposed tariffs on the US's 3 largest trading partners: Canada, Mexico and China, expanding tariffs over the quarter to include steel, aluminium and automobile parts. In early April, he announced reciprocal tariffs to match the import duties placed on US goods and services by other nations.
- The US Federal Reserve (Fed) left interest rates range unchanged at 4.25-4.5% for the quarter. Following the latest Fed meeting, Governor Powell noted that while short-term consumer inflation expectations had risen due to tariffs and uncertainty, he didn't see any long-term shift in expectations based on market-based measures. The US unemployment rate remains steady at 4.1% over the quarter.

Australia: Real GDP



Source: Bloomberg, Mercer

Cumulative asset class returns



Data source: LSEG Datastream; MSCI. Data provided 'as is'. Details on chart constituents can be found on the Mercer Sector Asset class Benchmarks section of this report.

Market review

Share markets were down in the March quarter

- International shares saw negative returns in Q1'25, down -2.6% as US tariffs concerns rattled investor confidence. US Technology shares fell significantly as the Magnificent 7 shares (Alphabet, Amazon, Apple, Meta Platforms, Microsoft, NVIDIA, and Tesla) underperformed the broader market. Chinese AI company DeepSeek shocked markets with its AI having been trained on lower cost hardware and with lower energy use than comparable US-based AIs.
- Australian shares underperformed global share markets, down by -2.9%. The technology sector was the largest detractor from performance, followed by healthcare.
- International REITs (real estate investment trust) were up 0.9% in the quarter on the back of the fall in global bond yields. Australian REITs were down -6.6%, due to capital raising in the REIT sector.

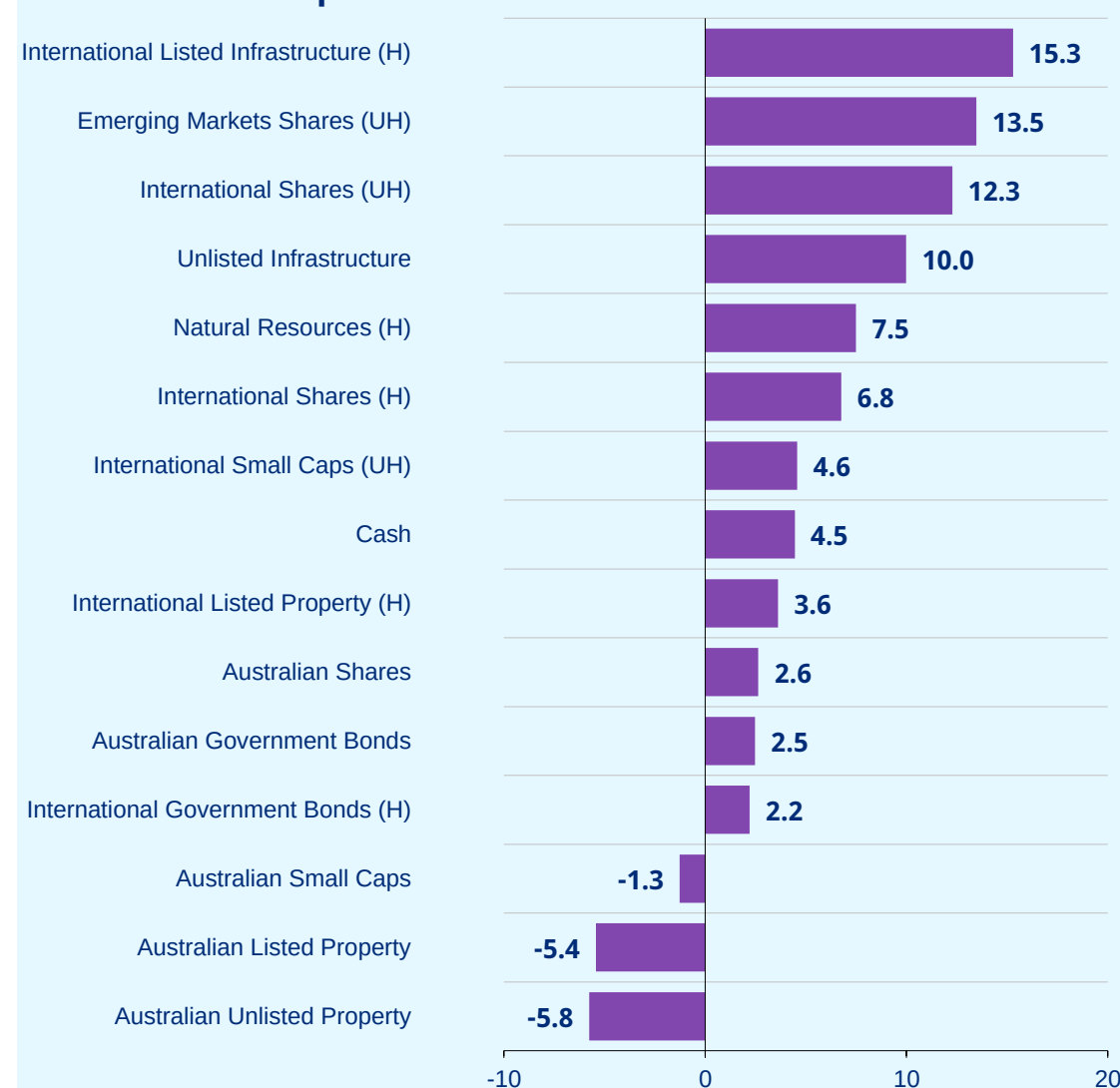
Fixed income markets were up during the quarter

- International sovereign bonds were up 0.7% in Q1'25. US 10-year government bond yields were down over the quarter, falling 40bps. Government bonds in the EU experienced a significant rise in yields over the quarter, especially after the announcement of Germany's new fiscal spending package.
- Australian sovereign bonds were up 1.2%, as Australian bond yields were largely flat.
- Credit spreads widened over the quarter as investor sentiment deteriorated due to ongoing trade rhetoric. However, falling international yields resulted in a 1.5% return for international credit.

Australian Dollar experienced fluctuations against major currencies

- The Australian dollar was marginally higher in Q1'25 against the US dollar, but it fell significantly against the British Pound and the Euro following the announcement of the German fiscal spending package.

Market performance 12 Months to March 2025



Data source: LSEG Datastream; MSCI. Data provided 'as is'. Details on chart constituents can be found on the Mercer Sector Asset class Benchmarks section of this report.

Westpac Group Plan Option

Quarter ending March 2025

The Mercer Heritage Australian Shares investment option is only available to members of the Westpac Group Plan who are currently invested in this option.

Mercer Heritage Australian Shares

Objective

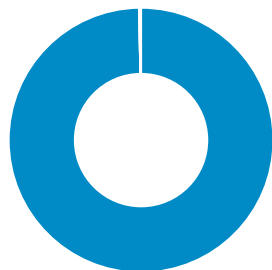
To exceed the benchmark (S&P/ASX 300 Total Return Index), after investment fees, over the medium to long term.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs	10 yrs
Total returns	-2.7	2.9	n/a	n/a
Benchmark return*	-2.9	2.6	n/a	n/a



Asset Allocation



- 99.8% Australian Shares
- 0.0% International Shares
- 0.0% Real Assets
- 0.0% Alternative Assets
- 0.0% Growth Fixed Interest
- 0.2% Defensive Fixed Interest & Cash

Mercer SmartPath® Ready-made Investment Options

Quarter ending March 2025

Great investors fine-tune their portfolios over time. Mercer SmartPath® is designed to do this for you automatically. The Mercer SmartPath® investment option takes a whole of life approach to investing your super. Our investment experts actively manage your portfolio to help ensure your asset mix is appropriate to your age.

The focus is on growth assets in your younger years, with a gradual shift to more defensive assets as you near retirement. Mercer SmartPath® is designed for members who want to take a simple, hands-off approach to their super. Select your SmartPath® cohort from the table to see more information.

Select your birth year

Born between 2018 - 1994	Born between 1993 – 1969	Born between 1968 – 1944	Born between 1943 to prior 1929
<u>2014 to 2018</u>	<u>1989 to 1993</u>	<u>1964 to 1968</u>	<u>1939 to 1943</u>
<u>2009 to 2013</u>	<u>1984 to 1988</u>	<u>1959 to 1963</u>	<u>1934 to 1938</u>
<u>2004 to 2008</u>	<u>1979 to 1983</u>	<u>1954 to 1958</u>	<u>1929 to 1933</u>
<u>1999 to 2003</u>	<u>1974 to 1978</u>	<u>1949 to 1953</u>	<u>Born prior to 1929</u>
<u>1994 to 1998</u>	<u>1969 to 1973</u>	<u>1944 to 1948</u>	

Mercer SmartPath® Ready-made Investment Options

Quarter ending March 2025

Our investment experts actively manage Mercer SmartPath® to help ensure your asset mix is appropriate to your age.

Born 2014 to 2018

Objective

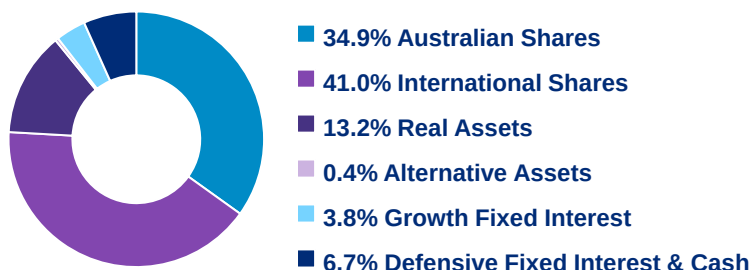
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling ten year periods. The investment objective time horizon for this option has not been reached.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-1.0	6.6	n/a	n/a



Asset Allocation



Born 2009 to 2013

Objective

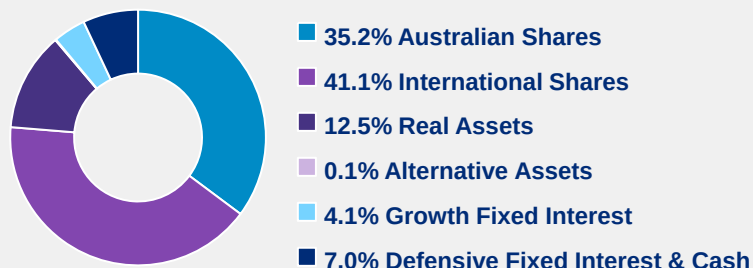
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling ten year periods. The investment objective time horizon for this option has not been reached.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-0.8	6.5	n/a	n/a



Asset Allocation



Born 2004 to 2008

Objective

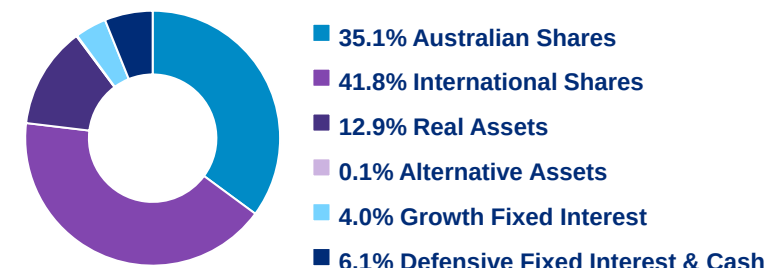
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling ten year periods. The investment objective time horizon for this option has not been reached.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-0.8	6.5	10.3	n/a



Asset Allocation



Mercer SmartPath® Ready-made Investment Options

Quarter ending March 2025

Our investment experts actively manage Mercer SmartPath® to help ensure your asset mix is appropriate to your age.

Born 1999 to 2003

Objective

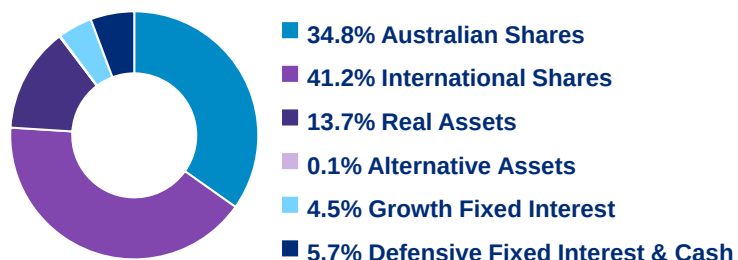
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling ten year periods. The investment objective for the ten years to quarter end was 6.8% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-0.5	6.2	10.7	7.1



Asset Allocation



Born 1994 to 1998

Objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling ten year periods. The investment objective for the ten years to quarter end was 6.8% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-0.5	6.3	10.8	7.3



Asset Allocation



Born 1989 to 1993

Objective

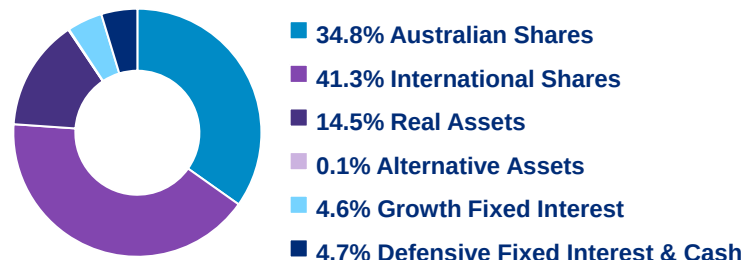
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling ten year periods. The investment objective for the ten years to quarter end was 6.8% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-0.6	6.3	10.9	7.3



Asset Allocation



Mercer SmartPath® Ready-made Investment Options

Quarter ending March 2025

Our investment experts actively manage Mercer SmartPath® to help ensure your asset mix is appropriate to your age.

Born 1984 to 1988

Objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling ten year periods. The investment objective for the ten years to quarter end was 6.8% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-1.2	6.3	11.0	7.4



Asset Allocation



Born 1979 to 1983

Objective

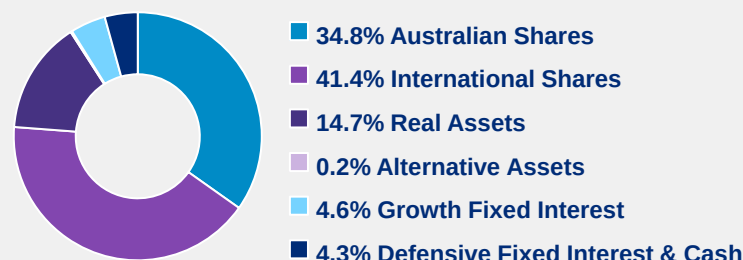
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling ten year periods. The investment objective for the ten years to quarter end was 6.8% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-1.0	6.3	11.0	7.4



Asset Allocation



Born 1974 to 1978

Objective

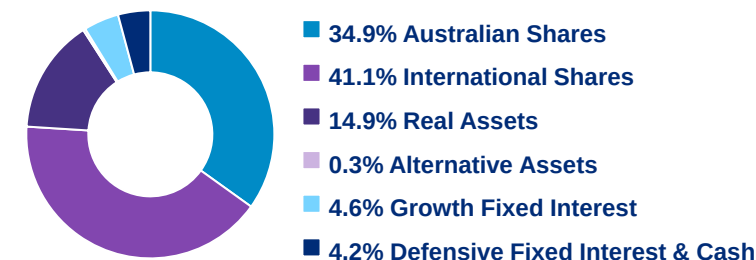
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling ten year periods. The investment objective for the ten years to quarter end was 6.8% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-0.5	6.3	11.0	7.4



Asset Allocation



Mercer SmartPath® Ready-made Investment Options

Quarter ending March 2025

Our investment experts actively manage Mercer SmartPath® to help ensure your asset mix is appropriate to your age.

Born 1969 to 1973

Objective

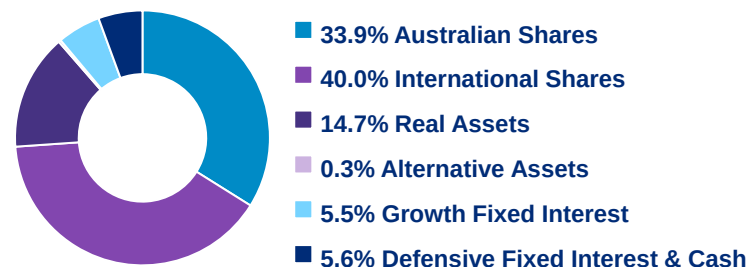
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling ten year periods. The investment objective for the ten years to quarter end was 6.8% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-0.5	6.3	10.9	7.3



Asset Allocation



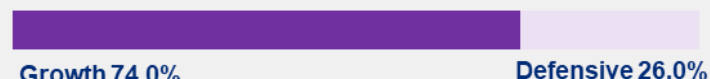
Born 1964 to 1968

Objective

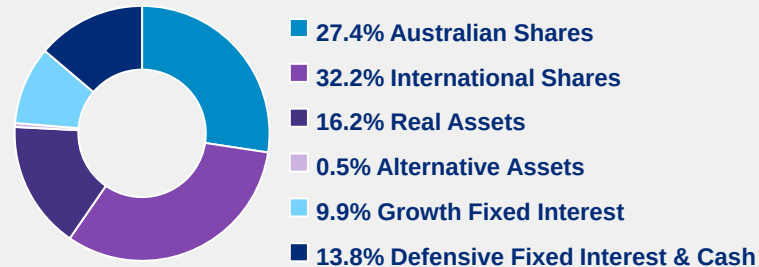
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.75% per annum over rolling ten year periods. The investment objective for the ten years to quarter end was 6.5% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-0.2	6.2	10.0	6.9



Asset Allocation



Born 1959 to 1963

Objective

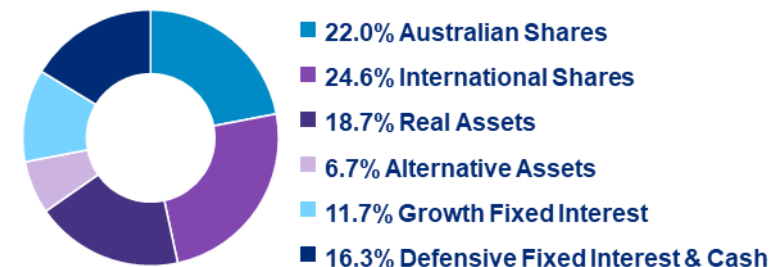
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.25% per annum over rolling ten year periods. The investment objective for the ten years to quarter end was 6.0% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	0.0	6.0	8.7	6.2



Asset Allocation



Mercer SmartPath® Ready-made Investment Options

Quarter ending March 2025

Our investment experts actively manage Mercer SmartPath® to help ensure your asset mix is appropriate to your age.

Born 1954 to 1958

Objective

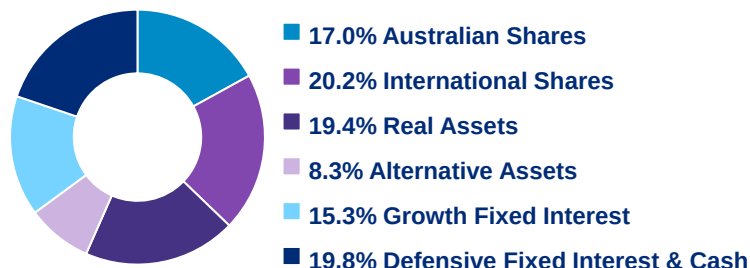
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.75% per annum over rolling seven year periods. The investment objective for the seven years to quarter end was 6.0% per annum

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	0.3	5.8	7.5	6.0



Asset Allocation



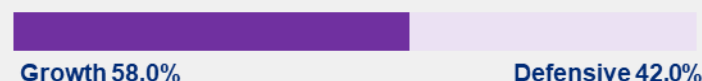
Born 1949 to 1953

Objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling seven year periods. The investment objective for the seven years to quarter end was 5.5% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	0.1	6.0	6.7	5.4



Asset Allocation



Born 1944 to 1948

Objective

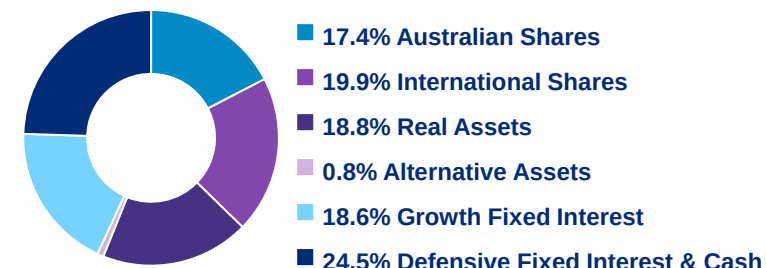
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling seven year periods. The investment objective for the seven years to quarter end was 5.5% per annum

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	0.3	6.0	6.5	5.3



Asset Allocation



Mercer SmartPath® Ready-made Investment Options

Quarter ending March 2025

Our investment experts actively manage Mercer SmartPath® to help ensure your asset mix is appropriate to your age.

Born 1939 to 1943

Objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling seven year periods. The investment objective for the seven years to quarter end was 5.5% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	0.2	5.9	6.5	5.4



Asset Allocation



Born 1934 to 1938

Objective

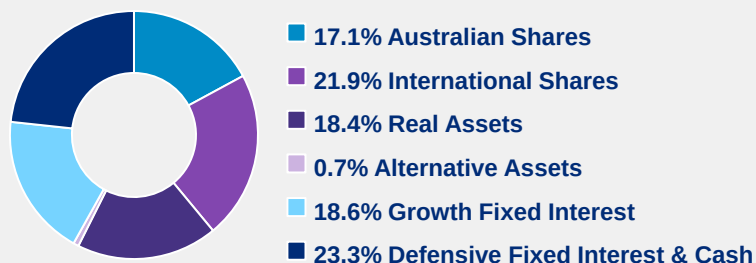
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling seven year periods. The investment objective for the seven years to quarter end was 5.5% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	0.3	5.7	6.5	5.4



Asset Allocation



Born 1929 to 1933

Objective

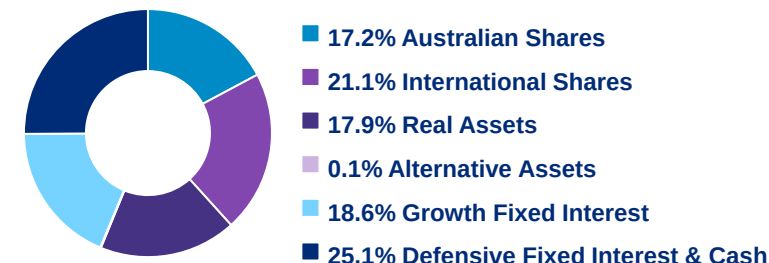
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling seven year periods. The investment objective for the seven years to quarter end was 5.5% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	0.3	6.1	6.7	5.6



Asset Allocation



Mercer SmartPath® Ready-made Investment Options

Quarter ending March 2025

Our investment experts actively manage Mercer SmartPath® to help ensure your asset mix is appropriate to your age.

Born prior to 1929

Objective

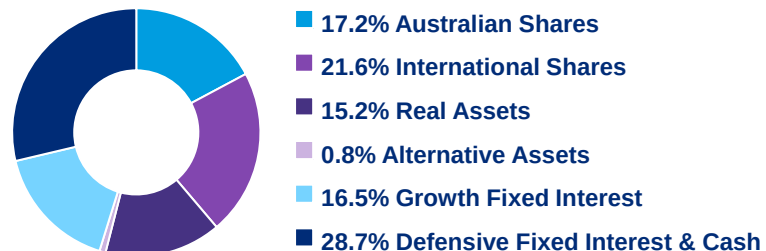
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling seven year periods. The investment objective for the seven years to quarter end was 5.5% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	0.3	5.5	6.3	5.2



Asset Allocation



Ready-made Investment Options

Quarter ending March 2025

Ready-made investment options combine a diversified mix of growth and defensive assets to suit different time frames, levels of risk and investment objectives.

Mercer Growth

Objective

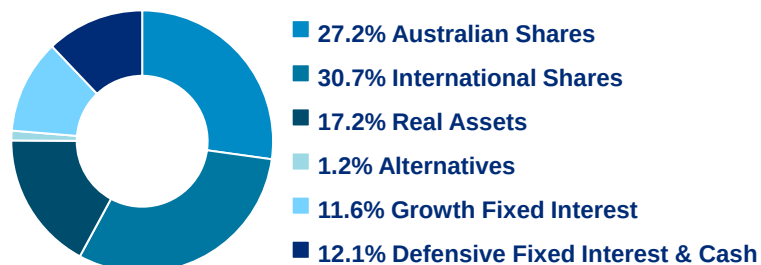
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.0% per annum over rolling seven year periods. The investment objective for the seven years to quarter end was 6.2% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-0.9	5.7	9.2	6.8



Asset Allocation



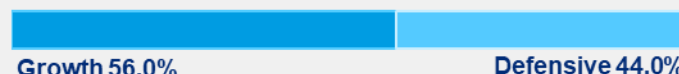
Mercer Moderate Growth

Objective

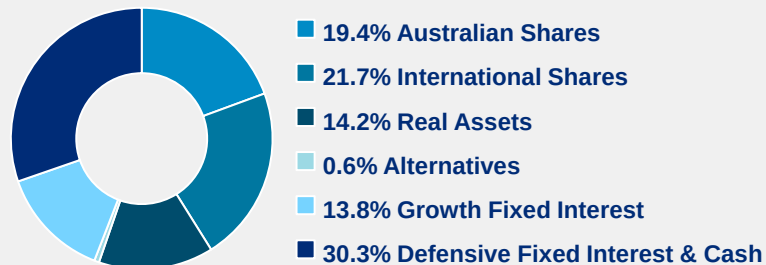
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.0% per annum over rolling seven year periods. The investment objective for the seven years to quarter end was 5.2% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	0.2	5.6	6.9	5.6



Asset Allocation



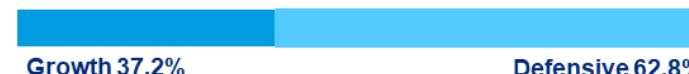
Mercer Conservative Growth

Objective

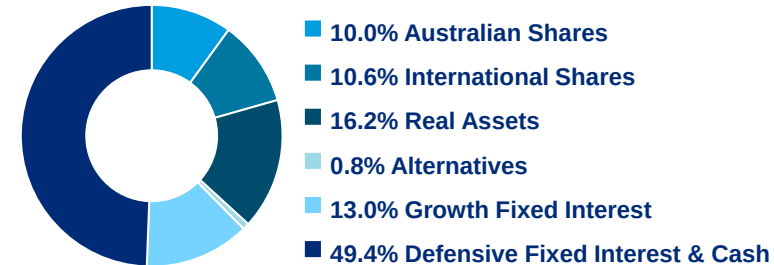
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 1.0% per annum over rolling five year periods. The investment objective for the five years to quarter end was 4.8% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	3 yrs (p.a.)	5 yrs (p.a.)
Total returns	0.7	5.1	4.1	4.8



Asset Allocation



Ready-made Investment Options

Quarter ending March 2025

Ready-made investment options combine a diversified mix of growth and defensive assets to suit different time frames, levels of risk and investment objectives.

Mercer Growth

Objective

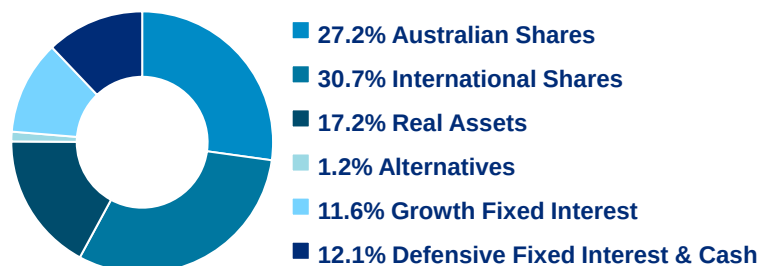
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.0% per annum over rolling seven year periods. The investment objective for the seven years to quarter end was 6.2% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-0.9	5.7	9.2	6.8



Asset Allocation



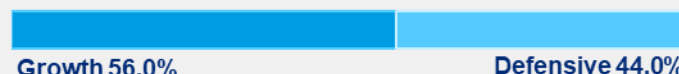
Mercer Moderate Growth

Objective

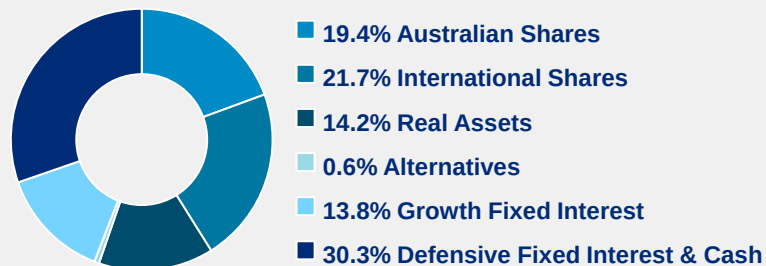
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.0% per annum over rolling seven year periods. The investment objective for the seven years to quarter end was 5.2% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	0.2	5.6	6.9	5.6



Asset Allocation



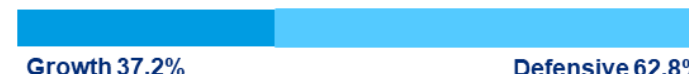
Mercer Conservative Growth

Objective

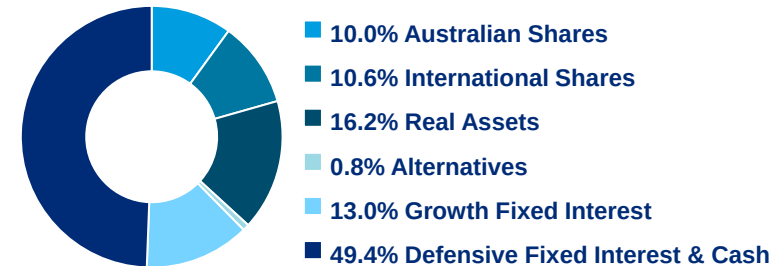
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 1.0% per annum over rolling five year periods. The investment objective for the five years to quarter end was 4.8% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	3 yrs (p.a.)	5 yrs (p.a.)
Total returns	0.7	5.1	4.1	4.8



Asset Allocation



Select-Your-Own Mercer Sustainable Investment Options

Quarter ending March 2025

Mercer Select-your-own investment options include sector-specific options, passively managed options, as well as sustainable options.

Mercer Sustainable High Growth

Objective

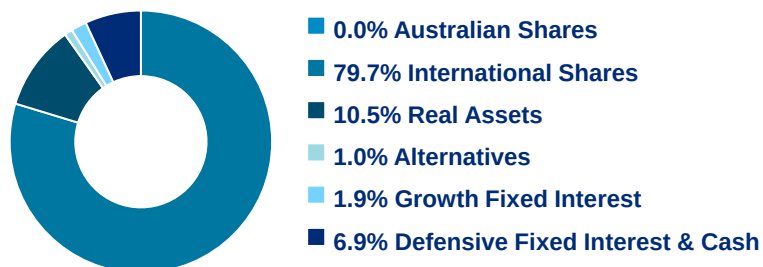
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.5% per annum over rolling ten year periods. The investment objective time horizon for this option has not been reached.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-1.6	3.6	10.1	n/a



Asset Allocation



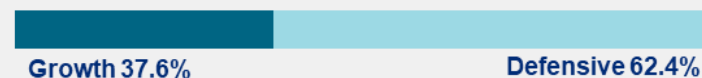
Mercer Sustainable Conservative Growth

Objective

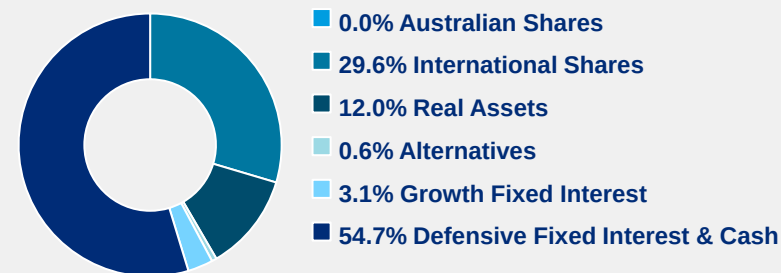
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 1.0% per annum over rolling five year periods. The investment objective for the five years to quarter end was 4.8% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	3 yrs (p.a.)	5 yrs (p.a.)
Total returns	0.3	3.9	3.2	4.1



Asset Allocation



Select-Your-Own Enhanced Passive Investment Options

Quarter ending March 2025

Mercer Select-your-own investment options include sector-specific options, passively managed options, as well as sustainable options.

Mercer Enhanced Passive Growth

Objective

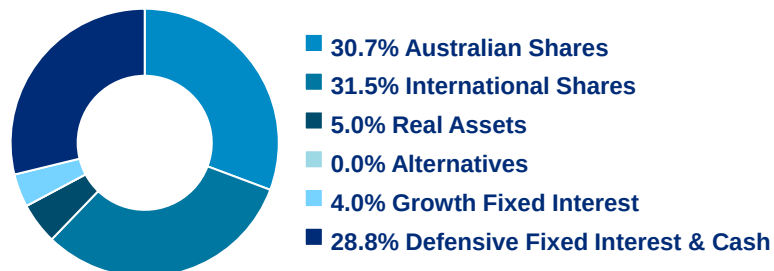
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.0% per annum over rolling seven year periods. The investment objective for the seven years to quarter end was 5.2% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-0.7	6.1	9.5	7.3



Asset Allocation



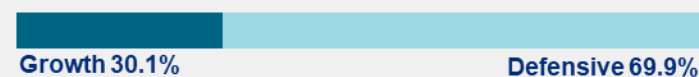
Mercer Enhanced Passive Conservative Growth

Objective

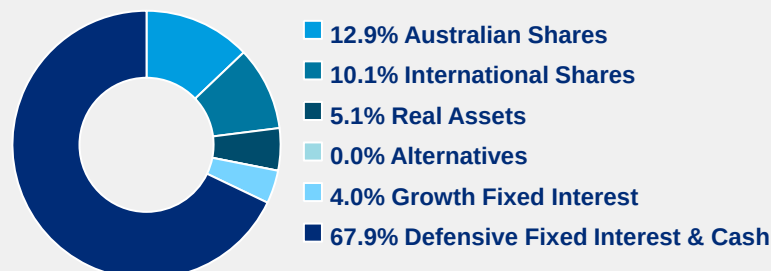
To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 0.5% per annum over rolling five year periods. The investment objective for the five years to quarter end was 4.3% per annum.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	3 yrs (p.a.)	5 yrs (p.a.)
Total returns	0.5	5.0	3.7	4.6



Asset Allocation



Select-Your-Own Mercer Sector Investment Options

Quarter ending March 2025

Mercer Select-your-own investment options include sector-specific options, passively managed options, as well as sustainable options.

Mercer Australian Shares

Objective

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

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-3.1	3.7	13.0	7.5
Benchmark return*	-2.9	2.6	13.2	7.1



Asset Allocation



Mercer International Shares

Objective

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

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-1.3	10.8	13.9	10.6
Benchmark return*	-2.4	12.3	15.8	11.9



Asset Allocation



Mercer International Shares - Hedged

Objective

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

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-0.8	6.6	13.7	8.3
Benchmark return*	-2.6	6.7	15.2	9.4



Asset Allocation



Select-Your-Own Mercer Sector Investment Options

Quarter ending March 2025

Mercer Select-your-own investment options include sector-specific options, passively managed options, as well as sustainable options.

Mercer Property

Objective

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

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	0.5	1.7	5.8	4.8
Benchmark return*	0.9	1.0	5.7	4.4



Asset Allocation



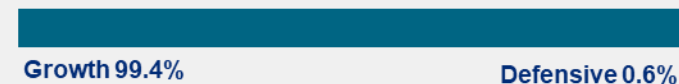
Mercer Global Listed Property

Objective

To exceed the benchmark, before management costs, over the medium to long term.

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	0.3	3.7	n/a	n/a
Benchmark return*	0.7	3.6	n/a	n/a



Asset Allocation



Mercer Fixed Interest

Objective

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

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	1.4	3.2	-0.2	1.6
Benchmark return*	1.2	3.2	0.5	-0.8



Asset Allocation



Select-Your-Own Mercer Sector Investment Options

Quarter ending March 2025

Mercer Select-your-own investment options include sector-specific options, passively managed options, as well as sustainable options.

Mercer Cash

Objective

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

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	0.9	3.9	1.9	1.8
Benchmark return*	1.1	4.5	2.1	2.0

Growth 0.0%

Defensive 100.0%

Asset Allocation



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

Select-Your-Own Mercer Passive Investment Options

Quarter ending March 2025

Mercer Select-your-own investment options include sector-specific options, passively managed options, as well as sustainable options.

Mercer Passive Australian Shares

Objective

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

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-2.3	3.0	12.5	7.2
Benchmark return*	-2.9	2.6	13.2	7.1



Asset Allocation



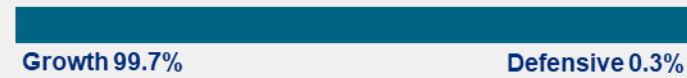
Mercer Passive International Shares

Objective

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

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-2.2	11.1	14.6	11.1
Benchmark return*	-2.5	12.1	15.8	11.9



Asset Allocation



Mercer Passive Australian Listed Property

Objective

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

Performance

Total returns after fees & taxes (%)	3 mths	1 yr	5 yrs (p.a.)	10 yrs (p.a.)
Total returns	-6.1	-4.9	11.9	5.7
Benchmark return*	-6.8	-5.4	13.6	6.7



Asset Allocation



* Refer to the "Mercer Sector Asset class benchmarks" section of this report for the relevant index(es).

Past performance is not a reliable indicator of future performance. n/a indicates that the investment option was not operating for the full period.

Financial Market asset class benchmarks

Refer to this table for the asset class benchmarks used for the asset classes in the [Market Review](#) reflecting the financial market returns

Chart Constituents

Asset class	Benchmark	Data type
Australian Shares	S&P/ASX 300	Total Return
Australian Small Caps	S&P/ASX Small Ordinaries	Total Return
International Shares (UH)	MSCI World ex Australia	Net Index
International Shares (H)	MSCI World ex Australia 100% Hedged	Net Index
International Small Caps (UH)	MSCI World Small Cap	Net Return
Emerging Markets Shares (UH)	MSCI Emerging Markets	Net Index
Australian Unlisted Property (one month lag)	MSCI/Mercer Australia Core Wholesale Monthly PFI	NAV Post Fee
Australian Listed Property	S&P/ASX 300 A-REIT	Total Return
International Listed Property (H)	FTSE EPRA/NAREIT Developed Hedged	Net Return
International Listed Infrastructure (H)	FTSE Global Core Infrastructure 50/50 Hedged	Net Return
International Credit (H)	Bloomberg Global Credit	Hedged Return
Emerging Market Debt (UH)	JP Morgan GBI EM Global Diversified Composite	Total Return
Australian Government Bonds	Bloomberg AusBond Treasury 0+ year	Total Return
International Government Bonds (H)	Bloomberg Global Treasury Hedged	Hedged Return
Cash	Bloomberg AusBond Bank Bill	Total Return

Notes

- *Currency: AUD.*
- *UH: Unhedged.*
- *H: Hedged.*
- *Where a lag exists, the performance start and end dates shift accordingly.*
- *Total Return: Total Return Index with Gross Dividends.*
- *Net Index: Total Return (Net Dividends Reinvested).*

Mercer Sector asset class benchmarks

Refer to this table for the current asset class benchmarks used for the Mercer Sector and Mercer Passive investment options.

Mercer Sector investment option	Applicable Benchmarks
Mercer Australian Shares	S&P/ASX 300 Accumulation Index
Mercer International Shares	MSCI World Index (ex Australia) in A\$ (Unhedged) with net dividends reinvested
Mercer International Shares - Hedged	MSCI World Index (ex Australia) in A\$ (Hedged) with net dividends reinvested
Mercer Property	50% - FTSE EPRA/NAREIT developed ex Australia rental hedged to AUD 50% - MSCI/Mercer Australia Core Wholesale Monthly Property Fund Index - NAV-Weighted Pre-Fee Total Return (All Funds) ¹
Mercer Global Listed Property	FTSE EPRA/NAREIT Developed Index - in \$A (hedged)
Mercer Fixed Interest	25% - Bloomberg Global Aggregate Corporate Index (hedged in AUD) 50% - Bloomberg Ausbond Government 0+ Yr Index 25% - Bloomberg Global Treasury Index (hedged in AUD)
Mercer Cash	Bloomberg Ausbond Bank Bill Index
Mercer Passive Australian Shares	S&P/ASX 300 Accumulation Index
Mercer Passive International Shares	MSCI World Index (ex Australia, ex Weapons, ex Tobacco) in A\$ (Unhedged) with net dividends reinvested
Mercer Passive Australian Listed Property	S&P/ASX 200 A-REIT Index

¹ Benchmarks index values are published with a lag. Where these values are yet to be published, the previous benchmark index value is assumed, with the value updated once available.

Important notes

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 as at the quarter end. Total returns are shown after allowing for the deduction of taxes and investment fees. Returns greater than one year are shown on an annualised basis.

Performance (after investment fees and taxes) may be provisional depending on information available at the time of publication and may be subject to adjustment.

Returns throughout this report may be subject to rounding.

The objective time horizons used in the investment objectives for some investment options are:

- Short term – Less than three years
- Medium term – Three to seven years
- Long term – Greater than seven years

The term 'benchmark' is used in the investment objective of some investment options and refers to an asset class performance benchmark. Refer to the 'Mercer Sector Asset class benchmarks' section of this report for the relevant asset class performance benchmarks for the Mercer Sector and Mercer Passive investment options.

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Past performance is not a reliable indicator of future performance. The value of an investment in the Mercer Super Trust may rise and fall from time to time. The investment performance, earnings or return of capital invested are not guaranteed.

Any advice provided is of a general nature and does not take into account your objectives, financial situation or needs. Before acting on any advice we recommend you obtain your own financial advice and consider the Product Disclosure Statement and Financial Services Guide available at mercersuper.com.au. The product Target Market Determination setting out the class of people for whom the product may be suitable can be found at mercersuper.com.au/tmd.

The investment returns shown for the Mercer Super Trust investment options throughout this Investment Report do not take into account the unique characteristics applied to each investor (such as timing of cash flow). As a result, the actual investment returns applying to a particular investor may differ from the returns shown in this Investment Report. You should also remember that past performance is not a reliable indicator of future performance.

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